

**COMPREHENSIVE  
CONSOLIDATED  
MANAGEMENT  
REVIEW REPORT**

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**OF THE**

**Newark Housing Authority**  
*MISC. 1971?*  
**Newark, New Jersey**



**PREPARED BY**

**U.S. DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT**

**NEWARK AREA OFFICE**

**NEWARK, NEW JERSEY**

## TABLE OF CONTENTS

### Introduction

#### Housing

Organization and Staffing

Financial Management

Community Services

Occupancy & Equal Opportunity

Engineering Survey

#### Renewal

Financial Analysis

Relocation & Property Management

Citizen Participation &  
Social Aspects

Land Acquisition & Disposition

Project Improvements

## LISTING OF EXHIBITS

### Organization and Staffing

- A. Newark Housing Authority - Proposed  
Department of Housing
- B. Project Operating Combinations  
(five charts)

### Financial Management

- C. Operating Budget Data
- D. Tenants' Accounts Receivable (TAR)
- E. Effect of Rent Strike on TARs
- F. Proposed Modernization Items

### Occupancy & Equal Opportunity

- G. Definition of Income - HUD Act of 1970

### Engineering Survey

- H. Newark Housing Authority Automotive Fleet  
as of 1/14/71  
(chart located behind Procurement and  
Supply Management Section)

## INTRODUCTION

## INTRODUCTION

The Comprehensive Consolidated Management Review of the Newark Housing Authority is one of a series of such reviews of major Authorities with serious financial and operating difficulties.

Perhaps the most significant feature of the approach is that specialists in Housing Management from HUD's Washington Central Office were assigned to assist the Regional and Area Office people in the review.

A basic premise followed by the team was that past HUD approvals or recommendations do not indefinitely commit HUD to the course of action involved.

What was acceptable a few months ago may be patently unacceptable today. Moreover, the staff focus of the review was such that the Authority was examined and judged at a level not possible when budgets are approved, applications are reviewed and other routine operating functions are performed.

A second basic premise of the review team was that the Newark Housing Authority is faced with the necessity for a closer, more realistic approach to its programs of tenant involvement and in meeting tenant needs and desires, particularly in view of the prolonged tenant rent strike and tenant dissatisfaction with the Authority and its present top-level leadership.

A third basic premise was that the Authority's role as a local program operator requires different organizational concepts than are used by a nationwide administrative agency such as HUD. Thus, the team was free to recommend what seems best for Newark, without regard to the organizational structure of HUD.

ORGANIZATION AND STAFFING

## ORGANIZATION AND STAFFING

We find your organization top-heavy with its three ranks of executive supervision standing between project managers and the Executive Director. Such layering of supervision is not only wasteful; it isolates the Executive Director and his managers from each other, to the disadvantage of each.

We find your central organization performing tasks that are best performed at the project level, by project employees, with project supervision.

We find employees performing tasks of dubious value, leading us to believe that the real, basic mission of the Housing Authority has become obscure.

### Recommendation - Reorganization of the Housing Authority

We request that you promptly separate the Housing Management Operations and the Renewal Operations into two separate and distinct agencies, each with its own Board of Commissioners, Executive Director and staff. We recognize that there may be some legal impediments in existing statutes that need to be overcome by review and reinterpretation, or even a need for enabling legislation, in order for this separation and reidentification to take place. However, appropriate action should be commenced without delay and pursued to a satisfactory accomplishment as expeditiously as possible. HUD stands ready to join the Authority in its efforts to achieve the legal separation and division of its present structure into two separate and distinct organizations, one for Housing Management and one for Renewal.

### Recommendation - Reorganization of Housing Operations

We request that you promptly restructure the Housing Management Operations, not waiting for any legal separation of the Authority if it takes longer than 30 days to accomplish, by decentralizing the present Departments of Development, Maintenance Services and Management Services into a new organizational structure known as the Department of Housing, consisting of nine project operating units and the minimum support and supervision required by the projects. An outline of the proposed new organization for Housing Management is included. The Department of Housing would become the new Housing Authority after legal separation is achieved (see Exhibit A).

### Requirement -

The focus on the project operating unit requires that the position, responsibility and authority of the Project Manager be strengthened. The proposed reorganization strengthens the Manager's role by combining smaller projects under single Managers, who are directly responsible to the Executive Director, and by decentralizing certain functions to the Managers. Included are map inserts showing how nine project operating units can be developed from your various development projects (See exhibit B).

#### Requirement

The central painting crew should be permanently reassigned to specific Project Managers on the basis of need. Managers and their maintenance superintendents will administer the painting program, including the apprentice program with appropriate assistance from the Personnel Division.

#### Requirement

The central maintenance skills staff should not be continued as a central organization. Skilled workers presently assigned to that staff should be reassigned to specific project managers on the basis of need. As attrition occurs, the number of building tradesmen should be reduced. Work requiring a high skill level must be obtained by contract - whenever possible with contractors located near the project concerned.

#### Requirement

The Community Services Workers and Aides now working on public housing projects should be reassigned to the administrative supervision of Managers of those projects. Professional direction of the Community Services Workers and Aides and city-wide coordination of public housing community service programs will be provided by a Director of Community Services in the Office of the Executive Director for Housing. It should be emphasized that Managers should not be permitted to use Community Services Workers to perform other work nor to exercise professional supervision of them.

#### Requirement

The Tenant Selection office performs a necessary centralized function. The Director of Tenant Selection must continue his present functions as part of the new Department of Housing. Two presently vacant positions in the office can safely be abolished.

#### Requirement

The Development Division should continue to perform its function on a city-wide basis within the new Department of Housing.

#### Requirement

In implementing the organization of the Department of Housing, the following positions would be abolished:

<u>Department of Development-Maintenance Services</u>	
1 Assistant Executive Director	\$26,000
3 Assistant Directors for Maintenance	56,000
10 Supervisors and Foremen	445,000
7 Clerks	42,000
2 Truck Drivers	24,000



Department of Management Services

1 Assistant Executive Director	\$25,000
1 Director of Management	25,000
3 Assistant Directors of Management	59,000
5 Clerks	43,000
2 Consultants	40,000

Department of Administrative Services

(Central Stores Staff)

3 Storekeepers	25,000
2 Laborers	20,000
2 Building Maintenance Workers	15,000

Executive Director's Office

1 Assistant to Executive Director	26,000
1 Senior Clerk/Steno	7,000
1 Laborer/Driver	7,000
Subtotal	\$ 584,000

Requirement - Executive Leadership

We find the combined programs of Housing Management and Renewal under one Authority are not being adequately administered. This problem can be resolved by separate administrations, a separate Board of Commissioners and a separate Executive Director for each program.

Requirement - Retirement-Age workers

The Authority must provide to the Area Office a report on its review of retirement-age workers and of actions it is taking to effect their retirement.

Requirement - Salaries and Wages

Discrepancies between actual duties and job descriptions are probably the cause of many apparently high salaries and wages. The Authority should request the New Jersey Department of Civil Service to conduct a reclassification and survey of all Authority personnel. A copy of the survey report and the Authority's plan for implementation should be submitted to the HUD Area Office.

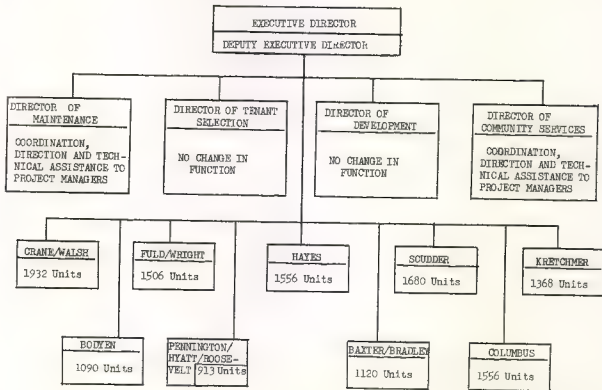
Requirement - Special Budget Provisions

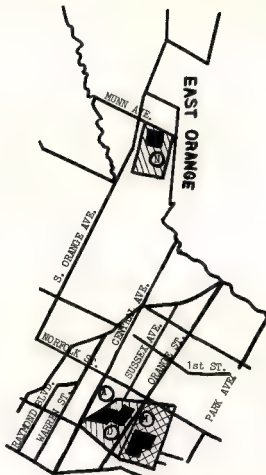
As a means of controlling staffing levels of your Authority, the following supplemental budget requirements are in effect until further notice:

1. No positions may be filled and no consultant contract may be signed unless such position or contract has been expressly approved in the Operating Budget or Administrative Budget, as appropriate.
2. HUD approval of a position or a consultant contract shall be automatically withdrawn whenever such position becomes vacant or such contract becomes unencumbered. In such cases, HUD approval must be sought by letter.

3. Each present consultant contract must be reviewed immediately and cancelled whenever feasible. HUD Area Office approval must be obtained for each contract to be continued.

NEWARK HOUSING AUTHORITY  
PROPOSED DEPARTMENT OF HOUSING





PROJECT OPERATING COMBINATIONS

 (D) BAXTER - 819 Units

(N) BRADLEY - 301 Units

1120 Total

 (M) COLUMBUS - 1556 Units

ELIZABETH

HILLSIDE

PROJECT OPERATING COMBINATIONS

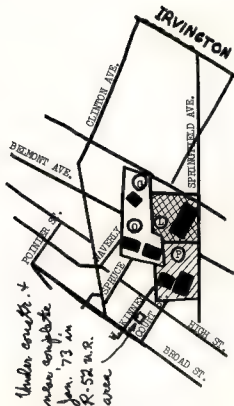


 (J) KRETCHMER - 1368 Units

 (B) BOYDEN - 1090 Units

NEWARK AIRPORT

PROJECT OPERATING COMBINATIONS



□ (G) FULD - 300 Units

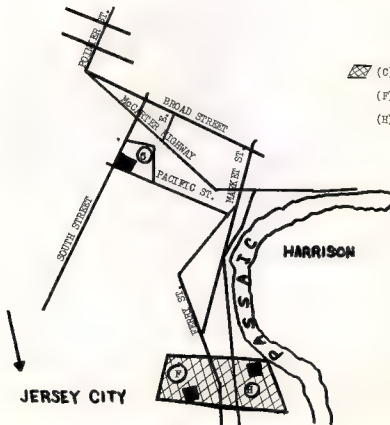
(O) WRIGHT - 1206 Units

1506 Total

▨ (L) HAYES - 1556 Units

▨ (P) SCUDDER - 1680 Units

PROJECT OPERATING COMBINATIONS



(C) PENNINGTON - 236 Units

(F) HYATT - 402 Units

(H) ROOSEVELT - 275 Units

913 TOTAL

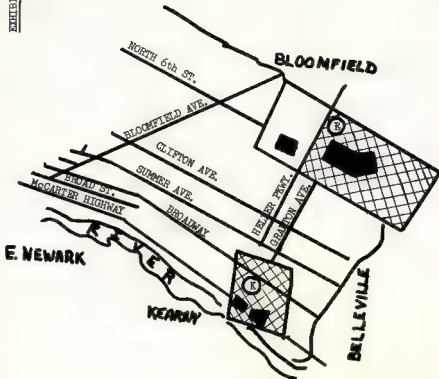
PROJECT OPERATING COMBINATIONS

 (E) CRANE - 1302 Units

(K) WALSH - 630 Units

1932 TOTAL

EXHIBIT B5





## FINANCIAL MANAGEMENT

## FINANCIAL MANAGEMENT

### Program Solvency

1. Conventional Program - As of 3/31/70 (the end of the last LHA fiscal year), there was a deficit of \$759,738 after the operating reserve was entirely depleted. On the basis of this condition, a deficit subsidy of \$1,000,133 was authorized to be included in the LHA's 1971 budget to maintain solvency.

The 12/31/70 Statement of Receipts and Expenditures shows that the nine months of operation (4/1/70 through 12/31/70) had generated residual receipts of \$762,221. It should be noted that the remaining three months of the fiscal year comprise the major portion of the heating season. The LHA has prepared a revision to its Operating Budget for the fiscal year ending 3/31/71, which indicates that the fiscal year will end in a deficit of \$1,622,950 or \$10.63 PUM. This deficit in the proposed budget revision (not yet submitted to HUD for approval) compares with an estimated residual receipts before reserves of \$116,202 in the presently approved budget.

Unsubmitted Budget Revision - The net charge in residual receipts from the approved fiscal year 1971 operating budget 1/ and the LHA proposed revision to the operating budget 1/ is \$1,739,152, attributable primarily to the following four accounts:

<u>Account</u>	<u>Approved Budget</u>	<u>Revised Budget</u>	<u>Increase</u>
Fuel	\$ 649,020	\$1,615,000	\$ 965,980
Ordinary Maintenance & Operations-Labor	3,790,730	1,186,340	395,600
Extraordinary Maint.	543,040	680,000	136,960
Prior Year Adjustment	-0-	247,182	<u>247,182</u>
			<u>\$1,525,732</u>

The Local Authority explanations for the above four major increases are as follows:

Fuel - In order to comply with the new New Jersey State laws on air pollution control, the Authority was forced to upgrade the quality of fuel oil used for heating; an oil with a lower sulphur content. The oil purchased in 1970 averaged out to a cost of \$0.05784 per gallon, while the oil price as of 1/1/71 has been raised to \$0.1358 per gallon. (According to the Authority, there is a possibility that fuel oil may be less than \$0.1358 - could save \$100,000)

1/ See Exhibit C

Ordinary Maintenance and Operation-Labor - Increased for anticipated overtime, based on actual overtime paid to 12/31/70. This amount may be overstated, per LHA, since a new shift work schedule has been agreed to, which will encompass Saturday and Sunday.

Extraordinary Maintenance - Increased to provide funds for emergency-type maintenance, such as repairs to boilers and steam line, snow removal, elevator repairs, and repair of retaining walls.

Prior Year Adjustments - Materials or services received in 1970 which were not paid for until 1971. These items should have been included in the 1970 Operating Statement.

The major account category FUMs for the approved and unapproved operating budgets for 1971 are as follows:

<u>Category</u>	<u>Approved Budget</u>	<u>Revised Budget</u>	<u>Increase/ Decrease</u>
Dwelling Rental	70.38	70.32	(.06)
Special Subsidy Families	7.29	7.29	
Operating Deficit	6.55	6.55	
Rental Assistance	5.28	5.28	
Total Oper. Income	90.00	89.97	(.03)
Administration	13.00	13.26	.26
Utilities	16.56	23.77	7.21
Ord. Maint. & Oper.	31.98	34.91	2.93
General Expense	17.87	16.28	(1.59)
Routine Expenditures	79.41	88.22	8.81
Extraordinary Maint.	3.56	4.45	.89
Total Nonroutine	4.85	5.78	.93
Prior Year Adjustment		1.62	1.62
Prior Years Deficit	4.98	4.98	
Total Oper. Expend.	89.24	100.60	11.36
Residual Rec. (deficit)	.76	(10.63)	(11.39)

The financial solvency of the Authority operation, as based on the approved 1971 operating budget, is achievable only because of the three operating subsidies, totalling almost \$3 million, included as operating receipts. These contributions are:

Special Subsidy Families	\$1,113,060
Rental Assistance	806,000
Existing Operating Deficit	<u>1,000,130*</u>
 *\$600,000 has been paid	 <u>\$2,919,190</u>

If the above contributions were eliminated, and also the existing operating deficit of \$759,738, the operations, based on the approved 1971 budget, would generate a deficit of \$2,043,250. When the same theory is applied to the

proposed 1971 operating budget revision, the deficit, instead of being \$1,622,950, would be \$3,782,402, or a per-unit-month deficit of \$21.77.

We believe that the above figures speak for themselves, and it is obvious that the Authority is in an extremely serious financial position - one that depends heavily on HUD additional annual contributions. To highlight the seriousness of the problem, we have developed the following data:

#### Operating Receipts Distribution

	1971 Approved Budget	Unapproved As Proposed	Revised Budget Without HUD Add'l. Contr.
% for Routine Expense	88%	98%	125%
% for Nonroutine Expense	11%	14%	8%
% for Provision for Reserves	1%	(12)	(33)
% for Residual Receipts	-	-	-
Financial Soundness Margin:	-\$4.54	-\$15.06	-\$34.18

% for Routine Expense - HUD considers any percentage in excess of 84% to be excessive.

% for Nonroutine Expense - HUD considers any percentage less than 15% to be satisfactory.

% for Provision for Reserves and % for Residual Receipts - The total combined percentage for these two categories should be 5% or more.

Financial Soundness Margin - Is the amount by which Total Operating Receipts exceed or fall short of Total Routine Expenses divided by 84%. It is based on the premise that Routine Expenses should normally not exceed 84% of Total Receipts to reflect a sound financial operation. Any positive difference represents a satisfactory or better situation. The amount of any negative difference is a measure of the need for increasing income or decreasing routine expenses, or a combination of both. It is evident from the above that the Newark operation falls far short of a satisfactory index.

Explanation of Review Team Adjustments - The reductions made below all relate to the LHA proposed revised budget for the fiscal year ending 3/31/71, but deleting prior years adjustments. The reductions in salaries and wages listed below reflect only that portion of the earnings which are prorated to low-rent housing management (exclusive of leased housing) as reflected in the approved operating budget for the fiscal year ending 3/31/71.

ADMINISTRATIVE EXPENSE (\$262,863)

a. Non-technical Salaries

<u>Position</u>	<u>Salary</u>	<u>Mgt. Proration</u>
<u>Department of Development-Maintenance Services</u>		
1 Assistant Executive Director	29,177 *	8,753
1 Assistant Paint Supervisor	14,931	14,931
2 Senior Clerks	14,675	14,675
5 Senior Clerk/Typists	27,775	5,375

\* The salary for this position was previously incorrectly identified at \$26,000.

Department of Management Services

1 Assistant Exec. Director	25,025	17,318
1 Director of Management	25,380	25,380
3 Assistant Directors of Management	58,940	58,940
3 Principal Clerks	26,847	26,847
1 Operations Consultant	25,000	10,000
1 Financing Consultant	15,000	3,000
1 Principal Clerk-Bookkeeper	8,970	8,970
1 Senior Clerk	6,825	4,779

Executive Director's Office

1 Assistant to Executive Director	26,040	26,040
1 Senior Clerk-Steno	6,528	3,264

Department of Housing

1 Assistant Executive Director	-	50,000 Increase
1 Deputy Assistant Exec. Director		

b. Technical Salaries

Department of Development-Maintenance Services

3 Assistant Directors for Maintenance	55,602	55,602
1 Paint Superintendent	18,590	18,590

UTILITIES EXPENSE (\$36,399)

- a. Water - A reduction of \$10,000 per year is estimated on the basis that the LHA can secure the preferred City water rate available to public institutions.

b. Utilities Labor

<u>Position</u>	<u>Salary</u>	<u>Mgt. Proration</u>
1 Steamfitter Foreman	13,899	13,899
1 Assistant Steamfitter Foreman	12,500	12,500

### ORDINARY MAINTENANCE & OPERATION (\$827,934)

The reductions indicated below reflect the specific positions to be abolished, plus anticipated savings from the decentralization represented by elimination of overtime, etc.

<u>Position</u>	<u>Salary</u>	<u>Mgt. Proration</u>
<u>Department of Development-Maintenance Services</u>		
1 Plumber Foreman	12,966	12,966
1 Mason Foreman	15,248	15,248
3 Truck Drivers	23,550	15,700
1 Carpenter Foreman	15,037	15,037
1 Electrician Foreman	14,362	14,362
1 Supt. of Resilient Floors	14,075	14,075
1 Asst. Elect. Foreman	13,362	13,362
<u>Department of Administrative Services</u>		
3 Principal Storekeepers	25,000	8,332
3 Laborers	20,000	8,008
2 Bldg. Maintenance Workers	15,000	7,166
<u>Executive Director's Office</u>		
1 Laborer-Driver	7,125	3,562

### EMPLOYEE BENEFIT CONTRIBUTIONS (\$189,923)

This decrease is related to the reduction in salaries and wages, based on a 17% payroll deduction. (\$1,117,196 x 17% = \$189,923)

## 2. Program Solvency Leased Program

Finding - The Leased Housing Program of 500 units was placed under Contract on February 28, 1967. The program was reduced to 343 units as of October 1, 1969. As of January 25, 1971, the Local Authority had 77 dwelling units under lease. As of March 31, 1970, the program had an accumulated deficit of \$113,119, and for the first nine months of the fiscal year ending March 31, 1971, an additional deficit of \$57,258 was incurred. The program is currently staffed by 2½ employees, at a PUM cost, as of December 31, 1970, of \$30.79.

Recommendation - At the rate of leasing-up, the program cannot absorb the salaries now charged to the leasing program. The leased program should be attached to the operations of an established project; the housing manager would assume full control of the leased program and his existing staff will provide all necessary services, except for the role of the inspector. The proration of existing staff to the leased program is estimated to approximate ½ of an employee, and the inspector will be charged totally to the leased program - a total of 1½ staff members.

### 3. Budget Preparation and Execution

Finding - The Finance and Accounts Department requests from each project manager a listing and justification of anticipated nonroutine work items and replacement of equipment. Except for this, the project managers are not involved in the preparation or execution of the Authority budget program.

Requirement - In view of the serious financial problems of the Newark Housing Authority, in addition to a consolidated budget for the LHA program, it is required that complete and separate budgets be prepared for each project or project combination operated by the same staff. The housing managers should prepare the entire budget for the projects to which they are assigned. Further, the execution of the project budget work should be the responsibility of the housing manager. Quarterly Operating Statements must also be prepared and submitted to the HUD Area Office to show how each budget program is actually performed.

### 4. Tenants Accounts Receivable, Collection Losses, Security Deposits

An analysis of Tenants Accounts Receivable and Collection Loss reveals that the Authority is losing needed revenue. In the five-year span from 3/31/66 through 3/31/70, total Tenants Accounts Receivable increased from \$97,437 to \$180,026 1/ This represents an increase of \$82,589, or 84.76%. In the nine months of Fiscal Year 1971 (April through December 1970) Tenants Accounts Receivable have shown a sharp increase each month, with outstanding accounts reaching a total of \$876,947 as of 12/31/70, an increase of \$779,538, or 800.0% 2/ The Tenant Accounts Receivable balance as of 12/31/70 is approaching 100% of the monthly rent roll. In addition, the Authority has written off to Collection Loss in the five fiscal years, 1966 through 1970, a total of \$245,154 plus \$49,233 in the first nine months of the current fiscal year, or a total of \$294,387.

While it is recognized that the major portion of uncollected revenue in the current fiscal year results from the rent strike (mainly at Projects NJ 2-11, 13, 15 and 19 but which has spread somewhat to other projects), some doubt must be expressed as to the collectability of a portion of outstanding accounts, especially since vacated tenants as of 12/31/70 numbered 546, with balances of \$127,147, or 11.0% and 14.5% respectively of total delinquent tenants and balances.

Of the 4950 tenants owing rent as of 12/31/70, 1556 were welfare tenants, or 31.43%. Of the total outstanding balance of \$876,947 on that date, \$434,596, or 49.55%, was owed by welfare tenants. In-possession welfare tenants owed \$377,108 and vacated tenants owed \$57,488.

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1/ See Exhibit D

2/ See Exhibit E

Requirement - It is imperative that the rent strike be settled as expeditiously as possible in order to avoid substantial losses of income and to normalize management/tenant relations.

Recommendation - We urge the Local Authority to continue its effort to negotiate with the Welfare Department to pay rents directly to the Authority. Such agreement have been entered into by Authorities in other states. You should seek amendment of any state law prohibition on such direct payments.

## 5. Accounting System Survey

### Scope of Survey

1. Staffing
2. Proration of Cost between Programs
3. Job Descriptions
4. Work Volume
5. Work Flow
6. Budget Control

### Staffing -

<u>Office of Director of Finance and Accounts</u>	
Director and Staff	8
<u>Management Accounting</u>	
Principal Accountant and Staff	8 *
Management Auditors	2
<u>Payroll</u>	
Supervisor and Staff	11
Part-time Employees	2
<u>Data Processing</u>	
Manager and Staff	9
Accounts Payable	4
<u>Urban Renewal</u>	15
Total . . . . .	62*

\*Includes one employee on LWOP status

The Authority maintains its accounting records in a satisfactory manner and generally submits its financial reports within the deadlines prescribed by HUD. The low-rent accounting function is performed by ten persons full time and 37 persons on a part-time basis (including nine persons whose functions are in the nature of a clerk/typist).

### Proration of Cost between Programs

The Director of Finance and Accounts made available the current pay roster of the Department, which included employee name, title, annual salary and percentage distribution between the low-rent and urban renewal programs.



An overall proration of 16 positions is presently being made to the low-rent program accounting function. The review disclosed that ten positions in the Management Accounting Section should be considered on a 100% basis to low-rent accounting. It would appear that more than six of the remaining 52 positions should be allocable to the Management and Development low-rent accounting. An examination of the various percentage distributions indicates the need for a time study in order to achieve an equitable distribution between low-rent and urban renewal. For example, of the ten positions which are clearly chargeable 100% to low-rent accounting, four positions (Giampolo, Sparno, Barrioso-LWOP-, M. Sirchio) are charged 100% to the urban renewal program; one position (Frederici) 80%; four positions (W.J. Sirchio, Lefkowitz, Scro, Goldberg) 50%; and one position (Robb) 30%.

#### Job Descriptions

A need for a review and reclassification of job descriptions would likewise be in order. For example, there are ten positions with Bookkeeping Machine Operator classifications, although there is, in fact, only one such functional position. The remaining nine positions are either accounting or data processing positions. (See finding regarding Salaries and Wages)

#### Work Volume

Approximately 12,000 individual purchase requisitions are processed annually, resulting in approximately 8,000 purchase orders and about 8,000 voucher checks. This unusually high percentage -  $1\frac{1}{2}$  voucher checks for about two requisitions - is due to the practice of payment of individual invoices, taking advantage of purchase discounts on each invoice. This results in numerous checks being sent to one vendor during a monthly period. The single payment of monthly statements should be explored. Arrangements for discounts on the statement rather than individual invoice should similarly be reviewed. In addition, 1,200 checks each of 26 pay periods are being processed between the Payroll and Data Processing Sections.

#### Work Flow

The processing of purchase requisitions for routine maintenance is done by the four persons assigned to the Accounts Payable Section. In addition, three members of the Central Office Maintenance Review, and a supervisor approves, all requisitions. Further, the Central Maintenance Section reviews, approves and processes invoices involving fuel oil, gas and electric, water and various RM & R contract services.

In the area of Manual payroll processing - prior and subsequent to the use of AIP equipment - a total of 14 full-time plus two part-time persons are involved. Since time sheets are presently handled manually, five persons are involved in

assembling administrative and labor time sheets, checking total hours of employment during pay period and leave taken and balances.

It is recommended that project personnel be instructed to prepare time sheet data on forms which can be processed directly by the ADP Department.

Overtime and retirement system functions are handled by two other positions. In the area of payroll deductions other than the usual - income tax, pension, bonds, hospitalization, insurance and union dues - many other applications are readily incorporated into the payroll process. These include such items as family support, voluntary bank payments, Annuity plans, mutual funds, Bankruptcy payments, and accident insurance. A proposed check now being considered will provide for in excess of 20 different deductions. At present three persons are involved full time in this application. It is recommended that only those deductions essential to the normal payroll processing be included.

The Data Processing Section uses the following hardware:

- 1 360-20 Disk IBM Computer 2LK
- 1 2501 Reader
- 3 Disk Drives (2311)
- 1 1403 Printer
- 1 2152 Typewriter
- 4 Card Punches (029)
- 1 Verifier (059)
- 1 Sorter (083)

This rental cost is approximately \$6,000 per month. Total cost, including supplies, is about \$80,000 per annum. The equipment is utilized approximately 110 hours per month. Present applications include payroll, accounts payable, urban renewal data, inventory, budget forecasting, and personnel profile reporting. Future planned applications include relocation, centralized rent collection, maintenance work order requests, maintenance payroll hours reporting, purchasing and detailed inventory control. Although most accounting phases are now on ADP, such functions as the Modernization Program, General Ledger and Trial Balances, Leased Housing and Development Accounting are still done manually in the Management Accounting Section and involve the services of four staff members. The Authority intends to place these functions under ADP in the near future.

When these functions have been adapted under ADP, it should be possible to reduce the Management Accounting Section by two positions.

The processing of documents appears to be good. A typical requisition originates at the Project Maintenance Department. It is sent by U. S. Mail to the Central Maintenance Section in the Central Offices. After review and approval, the requisition is forwarded to the Purchasing Department where a check is made as to the availability of the requested item at another project or in Central

Stores. If not available, a purchase order is prepared and sent to the Management Accounting Section for account classification and availability of funds. This is done by budgeted item in detail. If funds are available, the requisition is so noted and the purchase order returned to the Purchasing Department where it is forwarded to the vendor. The Accounts Payable Section gets the requisition and a copy of the purchase order. Upon receipt of the item by the project, its copy of the purchase order, properly noting the receipt of the item, is sent to the Accounts Payable Section. There the actual invoice supported by requisition and purchase orders is assembled. After checking extensions, additions, etc. the invoice is sent to the Management Accounting Section, where an accounts payable transmittal form is prepared and forwarded to the Data Processing Department for preparation of the voucher check.

#### Budget Control

The Department of Finance and Accounts has established an adequate system of budget control. As noted under the subject of Work Flow, all materials purchase orders are reviewed for availability of funds prior to processing to the supplier. Similarly, contract purchases are closely scrutinized as to availability of funds in the budget. The monthly expenditure reports produced by the Data Processing Department further give information as to unencumbered budget balances which are analyzed by the Management Accounting Department.

Despite established controls, the Authority incurred overruns in total administration, routine expense and property betterments and additions at the close of fiscal year 1968, and total routine expenses and extraordinary maintenance at the close of fiscal year 1969, as noted in the HUD Audit Report covering these fiscal years. Similarly, our review of the unaudited Financial Report for the fiscal year ended March 31, 1970, indicated an overrun of \$55,707 in the extraordinary expense category.

The Authority has submitted budget revisions to cover overruns, but the revisions have been submitted during March of the fiscal year, which is too late to give HUD adequate time for review and approval, if warranted.

It is recommended that the budget controls be utilized more effectively so that anticipated overruns, where unavoidable, can be covered by revisions submitted within 90 days prior to the end of the fiscal year.

#### 6. Investment of Excess Funds

Finding - A review of the Authority month-end investments for the period from April 1, 1970, through December 31, 1970, indicated that the percentage of investments to the total general fund ranged from a low of 8.5% to a high

of 82.4%. The high was attained as of December 31, 1970, and we deem this to be a fairly satisfactory level when compared to the national average of 89% (3/31/69).

Excess development funds were adequately invested.

The Authority indicated that it had discontinued its analysis of excess funds approximately one year ago.

Recommendation - Although the investment position was at a satisfactory level at December 31, 1970, the LHA should prepare a schedule of funds available and immediate cash needs, at least monthly, so as to determine the excess funds available in order to maximize investment income.

## 7. Security Deposits

Finding - The present security deposit policy of the Local Authority requires a \$5.00 deposit. The \$5.00 deposit is considered to be ineffective.

Recommendation - A policy of requiring no security deposit should be adopted.

## 8. Modernization Program

Finding - A Modernization Program in the amount of \$7,214,480 was approved on 3/5/69, and put under Contract on 4/14/69. Progress to 12/31/70 is as follows:

<u>Account Number</u>	<u>Mod. Program Budget</u>	<u>Costs Incurred</u>	<u>Contract Awards</u>	<u>Amount Not Expended or Contracted</u>
1410.1 Personnel	226,050	209,312	-	16,738
1430.1 Architectural Fees	349,580	96,580	174,278	78,722
1430.1 ADP Feasibility Study	50,000	-	-	50,000
1450 Site Improvements	1,343,003	375,110	725,191	242,702
1460 Dwelling Structures	4,372,104	1,316,851	30,800	3,024,453
1465 Dwelling Equipment	604,143	673,418	-	(69,275)
1470 Nondwelling Structures	251,600	4,056	29,000	218,544
1475 Nondwelling Equipment	18,000	-	-	18,000
Total	7,214,480	2,675,327	959,269	3,579,684
% to Budget Total	100%	37.1%	13.3%	49.6%

Phase I of the Modernization Program is now under Contract approximately 20 months, and the LHA has expended only 37.1% of the total funds approved. If we add to this the amount of the contract awards as of 12/31/70, the percentage is still only 50.4.

Two Modernization Programs were approved for air pollution control:

	<u>Amount</u>	<u>Approved</u>	<u>Contract Amended</u>	<u>Funds Expended 1/22/71</u>
Phase I	\$ 493,500	6/10/70	7/21/70	0
Phase II	514,500	9/15/70	Not yet	0
	<u>\$1,008,000</u>			<u>0</u>

Recommendation - In view of the long delay in carrying out the Modernization Program and the lack of current tenant acceptance of the program, no additional funds of the \$7.2 million should be obligated. A new Modernization Program should be developed with maximum tenant involvement and submitted to HUD for consideration. The recommended items discussed in Exhibit F should also be included in this newly developed program.

The Modernization Program Budget, as originally approved by HUD, has been revised by the Local Authority. The revised program should be submitted to the Newark Area Office for HUD approval. Account 1465, Dwelling Equipment, has been overrun by \$69,275. A corresponding reduction must be made in another Work Item.

Finding - A major factor in the Modernization delay was the Authority's decision to turn over to architects work items which clearly did not require such professionals for the preparation of specifications and bidding documents. Thus, such sorely needed work as the installation of vandal-resistant lighting fixtures in hallways still remain undone at several projects because the architects have not as yet prepared the necessary documents. This is especially vexing when one compares the major maintenance workload involved in trying to maintain the existing fixtures; the tenant frustrations and anger at the Authority's inability to produce results and the 7% architect's fee, on the one hand, to the simple task of preparing such specifications and bidding documents by a member of the housing authority staff. This (LHA staff), incidentally, was the method used to prepare specifications for such work by numerous LHA's, both larger and smaller than the Newark Housing Authority.

Light fixtures are only one example, of course. Others are: spray painting of soffits; installation of unbreakable glass; installation of terrazo floors in lobbies; ceramic tile at building entrances; repair of canopy drains, etc.

#### 9. Vandalism

Finding - The LHA has programmed the ADP system to capture vandalism data. It has been in operation only one or two months and the information collected is at this time not considered to be representative of the true cost of vandalism. Therefore, we utilized information contained in the reply submitted by the LHA in connection with the HUD survey of vandalism costs. For the year ended March 31, 1970, the following estimates were made by the LHA in regard to vandalism:

	<u>To tal</u> <u>Charges</u>		<u>Caused by Vandalism</u> <u>%</u> <u>Amount</u>
Ordinary Maintenance & Operations			
Labor	\$1,029,680	30	\$1,208,904
Materials	416,347	25	104,087
Contract Costs	495,684	25	123,921
Subtotal	<u>\$1,941,711</u>	29	<u>1,436,912</u>
Extraordinary Maintenance & replacement of equipment			200,000
Total Costs Attributable to Vandalism			<u>\$1,636,912</u>

There were 143,652 unit-months during 1970, which means that the estimated cost of vandalism and related costs (\$1,636,912) represents a FUM amount of \$11.39. When compared to Total Operating Income for 1970, vandalism is 15.6% of income. Funds expended in connection with vandalism are considered to be unproductive expenditures.

The major types of cost included in the report of estimated vandalism and related costs are:

<u>Breakage or Damage</u>	
Glass	\$ 131,285
Elevator	167,942
Wall defacement	20,000
Mailbox	35,456
Door	12,534
Lock	292,808
Outdoor lighting	6,305
Fencing	14,436
<u>Theft or Damage</u>	
Office furniture & equipment	2,000
Dwelling equipment	20,000
Maintenance equipment	5,000
Recreation and playground equip.	3,000
Community space equipment	5,000
Automotive equipment	1,000
Windowshades	33,648
Fire insurance (pooled premium)	62,063
Light bulb replacement	48,510
	<u>880,987</u>
Other Expense-unclassified	775,925
Total estimated cost of Vandalism	<u>\$1,636,912</u>

Recommendation - See recommendation for "Security" in the Community Services section of the report.

OPERATING BUDGET DATA

	Approved Budget <u>3/31/71</u>	Unsubmitted Budget <u>Revision</u>	Budget Without Subsid.	Review Team Adjust.	Normal Operating Budget
<u>INCOME</u>					
Dwelling Rental	10,743,280	10,733,070	10,733,070		10,733,070
Nondwelling Rental	45,300	47,100	47,100		47,100
Total Rental Income	10,788,580	10,780,170	10,780,170		10,780,170
Spec. Subs. Families	1,113,060	1,113,060			
Operating Deficit Sub.	1,000,130	1,000,130			
Rental Assistance	806,000	806,000			
Other Income	31,500	33,250	33,250		33,250
TOTAL OPER. & INCOME	<u>13,739,270</u>	<u>13,732,610</u>	<u>10,813,420</u>		<u>10,813,420</u>
<u>EXPENDITURES</u>					
<u>Administration</u>					
Nontechnical Salaries	1,529,220	1,529,220	1,529,220	( 188,670)	1,340,550
Technical Salaries	222,050	231,200	231,200	( 74,193)	157,007
Other	<u>233,720</u>	<u>264,160</u>	<u>264,160</u>		<u>264,160</u>
TOTAL ADMINISTRATION	1,984,990	2,024,580	2,024,580	( 262,863)	1,761,717
<u>Utilities</u>					
Water	345,130	374,460	374,460	( 10,000)	364,460
Fuel	649,020	1,615,000	1,615,000		1,615,000
Labor	612,450	653,580	653,580	( 26,399)	627,181
Other	<u>922,710</u>	<u>985,230</u>	<u>985,230</u>		<u>985,230</u>
TOTAL UTILITIES	2,529,310	3,628,270	3,628,270	( 36,399)	3,591,871
<u>Ordinary Maint. &amp; Oper.</u>					
Labor	3,790,730	4,186,340	4,186,340	( 827,934)	3,358,406
Materials	360,000	410,730	410,730		410,730
Contract Costs	<u>730,800</u>	<u>730,800</u>	<u>730,800</u>		<u>730,800</u>
TOTAL ORD. MAINT & OPER.	4,881,530	5,327,870	5,327,870	( 827,934)	4,499,936
<u>General</u>					
Employee Benefits Contr.	1,204,150	1,121,410	1,121,410	( 189,923)	931,487
Other	<u>1,522,490</u>	<u>1,363,550</u>	<u>1,363,550</u>		<u>1,363,550</u>
TOTAL GENERAL	2,726,640	2,484,960	2,484,960	( 189,923)	2,295,037
TOTAL ROUTINE EXPEND.	12,122,470	13,155,680	13,155,680	(1,317,119)	12,118,561
<u>Nonroutine</u>					
Extraordinary Maint.	543,040	680,000	680,000		680,000
Replacement of Equip.	197,820	200,460	200,460		200,460
Betterments and Addit.		2,500	2,500		2,500
TOTAL NONROUTINE	740,860	882,960	882,960		882,960
Prior Year Adjustment		247,182			
Existing Oper. Deficit	<u>759,738</u>	<u>759,738</u>			
TOTAL OPERATING EXPEND.	13,623,068	13,355,560	14,348,640	(1,317,119)	13,031,521
Residual Rec. (deficit)	<u>116,202</u>	<u>(1,622,950)</u>	<u>(3,535,220)</u>	<u>1,317,119</u>	<u>(2,218,101)</u>

EXHIBIT DTENANT'S ACCOUNTS RECEIVABLE (TAR)FYs 3/31/66 through 3/31/70

(1)	(2)	(3)		(4)	(5)	(6)	(7)	(8)
					Total Rental Income + 70% Other Income (Sales or Serv.)	% TARs to (Col. 3-5)	No. R.S. + S & S (Col.5 - 12)	% TARs to MDR (Col.3 - 7)
<u>Period</u>	<u>No. DUs</u>	<u>Outstanding TARs</u>		<u>Collection Loss</u>				
		<u>No.</u>	<u>Amount</u>					
3/31/66	10,716	1570	97,437	60,664	7,516,092	1.29%	626,341	15.56%
3/31/67	10,721	1641	107,067	41,113	7,716,734	1.38%	643,061	16.56%
3/31/68	10,721	1974	123,134	36,987	7,854,739	1.56%	654,562	18.96%
3/31/69	10,971	2043	124,442	59,389	8,106,403	1.53%	675,534	18.42%
3/31/70	11,971	2419	180,026	17,000	9,440,927	1.90%	786,744	22.88%



EFFECT OF RENT STRIKE (April 1970) ON TAR's

Period	Outstanding TAR's		Increase		Mo. D. R. +Sales/Serv.	% TARs to Col. 6
	No.	Amount	No.	Amount		
FYE 3/31/70	2419	180,026	783	74,226	786,744	22.88%
April 1970	3202	254,252	1970	190,483	863,976	29.43%
May 1970	5172	444,735	(799)	51,329	904,635	19.16%
June 1970	4373	496,064	90	50,946	867,992	57.15%
July 1970	4463	547,010	122	28,850	908,255	60.22%
Aug. 1970	4585	575,860	165	65,206	904,015	63.70%
Sept. 1970*	4750	641,066	(108)	37,292	901,634	71.10%
Oct. 1970	4642	678,358	148	94,761	898,729	75.48%
Nov. 1970	4790	773,119	160	103,828	898,560	86.04%
Dec. 1970	4950	876,947			900,068	97.43%

\* Six months Statement write-off to Collection Losses = \$31,808

EXHIBIT F

PROPOSED MODERNIZATION ITEMS

Elevator redesign study	\$ 50,000
Replace Fuel Oil tanks and lines	75,000
Replace boilers	800,000
Replace ranges and refrigerators	1,000,000
Conversion of units to community space	195,801
Total proposed Modernisation Program	<u>75,000</u>
	\$2,195,801

## COMMUNITY SERVICES

## COMMUNITY SERVICES

### Perceptions of Purpose and Functions

The 1970 Annual Report states that the purpose of Community Relations and Social Services (CRSS) is to assist the New York Housing Authority in meeting the objective of "the creation of self-sufficient families and individuals" through the provision of a broad program of social services for tenants. To accomplish this objective, CRSS is expected to function as a referral agency, as a liaison with community groups, as an educational resource, and as a mediator of problems between management and tenants.

For the most part, project managers were familiar with the program functions of CRSS, appeared interested in services, but were not pleased with the limited impact programs were having in their project. These limitations were attributed to a variety of reasons which included not only insufficient staffing and inadequate facilities, but also lack of supervision, undeveloped programming and resources, and a growing project population of less stable, less easily motivated, less upwardly mobile residents.

Tenants, on the other hand, were not always knowledgeable about the existence of a CRSS staff person nor were they aware of the specific program functions of this office except that they were there to help when people needed it. Frequently they expressed disappointment in the lack of CRSS responsiveness to personal tragedies. They saw their functioning as extremely limited and decidedly ineffective to any significant degree with tenants, management, or community. Some residents were displeased that they are excluded from the planning and implementation of services and programs. Some emphasized the desirability of having tenants employed in the projects as part of the CRSS to expend the potential for meeting the needs of residents through a well developed network system which would simultaneously afford tenants much needed financial supplementation.

CRSS staff interviewed, without exception, defined their role in terms of specific actions e.g. referral to particular agencies; involvement with community agencies in planning and securing services; assistance to tenant league groups, etc. They appeared to be proud of the nature of their services but dissatisfied and frustrated by the extent of service they can realistically provide and the lack of basic equipment, supplies and space with which to perform day to day operations.

The variations in perception of CRSS functioning may directly affect the vigor and support with which programs and services are created and accepted, as well as the style of implementation. Without the persistent reaffirmation by the New York Housing Authority, the Board, and the residents of public housing, the stated objective may be lost in the planning and development of integrated comprehensive programs and services.

## COMMUNITY SERVICES

### Project Highlights

All fourteen project complexes were visited; in most CRSS staff, project managers, and tenants were interviewed. Some projects presented insights that are not being addressed in the section on general findings and recommendations of this report. These observations include strengths as well as unmet needs.

#### Columbus Homes: NJ 2-13

The CRSS staff is composed of one supervisor, two community service workers, and two community service aides. Community services staff's communication, attitudes, and interrelationships appear positive. Columbus Homes has the largest number of Spanish speaking families in public housing. The problems of these families are accentuated by the language difficulties. Consequently, the one community service worker who speaks Spanish is overwhelmed with requests for service. Therefore, additional Spanish speaking staff is needed.

#### Scudder Homes: NJ 2-19

Scudder, the largest public housing project in the State of New Jersey, has a CRSS staff composed of one senior community service aide, one community service aide, and one community service worker. The project manager is very pleased with the initiative and resourcefulness of the senior community service aide, indicating that many of the innovations that are in process at Scudder are a result of her efforts. Staff communication at Scudder seems excellent. Also noted was the project manager's "team approach" to problem solving that includes all levels of staff. There are two specific problems which must be resolved: (a) Only a small percentage of the children attending Babyland nursery are project residents. As a project resource, Babyland must begin to serve more project children, and (b) There is at present no baby keep-well station at the project; residents must walk several blocks to the station at Stella Wright. Steps should be taken to set up such a station or to provide well-baby care in the new health clinic.

#### Welsh Homes: NJ 2-11

There are two special, unmet needs at this project. The first is the need for bi-lingual office and CRSS staff to serve the growing Spanish-speaking population (now over 25% of all families). The second is the need for convenient health facilities; there is no clinic in the area and residents often must travel to St. Michaels Hospital, in the center of the city, for outpatient and emergency care.

Roosevelt Homes: NJ 2-9

Social and community services of all kinds are more limited here than at other projects. This is due to three factors: (a) Community space at the project is quite small. The pre-school program takes up the entire community hall, while the Board of Education recreation program is limited to a cramped room. A senior citizens group uses the former baby keep-well station. There is no additional space. (b) There are very few facilities in the surrounding neighborhood which is predominantly industrial. Health and supportive education facilities in particular are not easily available. (c) The manager has adopted a laissez-faire posture toward community services and tenant activities, and there is no CRSS staff at the project. Community service personnel and project management must work together to expend services and increase tenant interest in project activities.

Seth Boyden Court: NJ 2-1

The Community Services Team was impressed by the accomplishments of tenants and management at this project. With little, apparent input from CRSS (which has no permanent staff on site), the tenants and the manager have set up a program of community activities encompassing recreation activities for all ages, education programs for high-school equivalency and for the Spanish-speaking, and an active tenant league which works with the manager on common problems. Through a combination of neighborhood resources (e.g. church groups) and tenant volunteers, along with the manager's providing of space, these programs thrive.

There are two groups here that demand the attention of CRSS: the Spanish-speaking (a quarter of all residents) and the elderly (over half of all families). Spanish-speaking CRSS and project office staff should be employed, while the services offered at the contiguous elderly projects (NJ 2-21E, 2-21F) should be extended to these senior citizens in the older project.

Seth Boyden Elderly: NJ 2-21E, 2-21F

At present, tenant groups at 2-21E are charged for the cleaning of community rooms that they wish to use. This practice must stop and project maintenance staff should assume responsibility for the cleaning of all common areas.

The Golden Age Clubs at 2-21E are open only to those residents who pay dues. This works a hardship on some tenants with low fixed income. A general tenant association open to all residents, as has been established at 2-21F, should be instituted at 2-21E.

The location and operation of laundry facilities within these buildings has been a continuing concern of tenants. The lack of laundromats in the neighborhood and tenants' fear to venture outside for this service make immediate solution of the laundry problem a necessity.

#### Pennington Court: NJ 2-2

This is one of the earlier built projects (February 1940), which still has many of its original families. There are 236 units of which 153 are Black families, 48 Spanish-speaking, and 35 white. Relatively stable with no vacancies and small rental delinquency. The neighborhood surrounding the project is commercial-residential. There is a tenant organization but no participation in the rent strike. The greatest need is for additional police, outdoor play space, and equipment, and a program for training and employment of tenants. The CRF worker who serves other projects as well is used primarily as a referral for problem families and must use the manager's office for these conferences.

#### Baxter Terrace Elderly: NJ 2-22B

Tenants here have no connection with city-wide tenants organization being primarily organized on a "club" basis. The manager has worked up through the ranks and has just recently been assigned from Kretchner Elderly to Baxter and thus did not seem to be as familiar with tenant needs because of her relatively short tenure. More activities should be developed for the tenants with a greater utilization of the "Congregate Room" since special groups use the community rooms. Health needs presents a continuing problem and ways of meeting these needs should be found. Also, some form of transportation to shopping areas should be developed. There is no permanently assigned community worker at this project of 250 families, and is assigned on an as needed basis at the manager's request.

#### Stephen Crane Village: NJ 2-6

Crane differs in many ways from the high high-rise project of the Central Ward, for example. There are stable families with more fathers in the homes, families are more mature with fewer children. Italian families are predominant with a relatively small Black and Spanish population. There is a drug problem and it is being handled by showing movies, education of parents to recognize users and resources in the neighborhood where help can be secured. The greatest problems appear to be between tenant problems and consequently the CRF staff member who divides his time between several projects, serves primarily as a counselor for the project manager. A seemingly good pre school program is being run here, utilizing a tenant, who has lived in this project since she was 6 months old, as an assistant teacher. The Board of Education and the Boy Scouts have programs. Indoor and outdoor space is inadequate and ill equipped.

#### Stephen Crane Elderly: NJ 2-22C

One of the newest built projects has space for both recreation and health needs. While most of the recreation space was being used (Tenants were participating in a sing-a-long and some were playing cards), the health space was being used as a storage room. Many of the tenants felt that health facility was greatly needed. There were also complaints about the inadequate laundry facilities and their location on upper floors next to apartments. The need for a staff person to advise tenants on Medicare, Medicaid, food stamps, etc. was expressed by staff and tenants.

#### Bradley Court: NJ 2-14

The neighborhood was characterized by some commercial but generally surrounded by single family homes and a large park nearby. Largely white occupied, with a small number of Black families. While there is no training or employment opportunities for tenants, more families seem to be economically stable here. Swimming pool located 5-6 blocks away also serves as a recreational outlet in the summer. Narcotics was not seen as a problem though there has been some. Cub and Boy Scout program is active. There is a need for more indoor and outdoor play and recreation space. Transportation is good. More police protection is needed and better outdoor lighting.

#### Hyatt Court: NJ 2-7

Located in a area known as "Down-Back" or "Iron-Bound", this project is almost completely isolated and surrounded by industry. Tenants are organized, but feuding. Non-participation in rent strike, but there is some evidence of feeling left out of modernization program because tenants have not complained loud enough. Manager and tenants said a number one problem is lack of police protection and adequate lighting, followed closely by the need for all new ranges and refrigerators. One of the tenants had organized teens and young adults as a security patrol to escort women and elderly to and from bus stops, but lack of guidance and leadership has curtailed this activity. There is need for tot lots, playground equipment, ball fields, adequate community space, and a full time CRSS staff person who can preferably speak Spanish. This appears to be a forgotten area, because of its location, but tenants could rebel if more attention in the form of the above mentioned is not forthcoming.



## COMMUNITY SERVICES

### SECURITY

Finding - The lack of adequate security both in and around projects overshadows all other findings in this area. This lack of protection has led to the curtailment of necessary social and community services, health services and recreation programs, for example, and has deeply affected the mood of both tenants and project management. The lack of security, particularly in the Central Ward, has left narcotics peddlers virtually unhindered in their selling of narcotics and the consequent rate of burglary, petty theft, and muggings is appalling. Tenants fear for their lives, and many elderly are afraid to go out to pay their rent because of their fear of being mugged.

Recommendation - The most obvious solution to this problem is greater police protection by uniformed members of the Newark Police Department. We are aware that the financial difficulties of the City government effectively preclude expansion of police services to that level essential to adequate protection.

In spite of this, we urge the Authority to use its influence with the City government to expand the present force of Housing Police, both in terms of numbers and hours of protection, as well as in terms of adequate supervision for each housing project.

Simultaneously, the Newark Police Department should develop a supportive network with tenants to strengthen security and decrease vandalism. This includes expanding and strengthening police-community relations to include all projects, low-rise as well as high-rise.

Further, we urge the Authority to expand the Scudder Homes pilot project of a Tenant Security Force to other beleaguered projects; to seek funds for the training and salaries involved from the New Jersey Department of Community Affairs and the U. S. Department of Justice; and, if necessary, to provide for such a para-professional security force through regular operating funds.

We recommend controlled access to all Authority-owned housing projects, especially the high-rise buildings.

## SERVICES, PROGRAMS, AND FACILITIES

Finding: Although the Newark Housing Authority is said to pursue a broad program of social services through Community Relations and Social Services (CRSS), your record of providing or facilitating the delivery of such services is inconsistent and inadequate. Many projects, low-rise in particular, have no program; whatever service is provided residents comes through referral to CRSS staff at another project or an itinerant part-time community service worker or aide. The Newark Housing Authority has no on-going creative plan which promotes the economic development of tenants. Community space facilities are grossly inadequate, poorly maintained, and in some instances not readily accessible for tenants use. Except for those outlying projects situated near county parks, the availability of both indoor and outdoor recreation facilities is quite limited. Day-care and pre-school programs so essential to increased tenant employment and family life education are not available in all projects and are not large enough in those projects that have programs. While baby keep-well stations are available and are utilized in most projects, tenant access to generalized diagnostic, treatment and preventive health care facilities and family planning counseling is severely limited.

Normal, everyday commercial facilities are clearly lacking in most project areas, particularly in the Central Ward and Down-Neck areas.

### Recommendation:

1. Effort should be made to develop a departmental program, i.e. Community Relations and Social Services, focusing on services, training and employment of tenants, and community organization which will be operable in all public housing projects. For example:
  - a. Development and expansion of welfare, health, education and recreation services on-site.
  - b. Creation of economic development opportunities for tenants which include comprehensive training opportunities with career ladders (for adults as well as teenage youth) not limited to seasonal programs; cooperative consumer services and programs as credit unions, cooperative buying clubs, home management counseling, etc.
  - c. Develop or strengthen tenant associations which could be useful not only in improving tenant-management relations but also to bring needed civic and commercial services to the community.
2. Consideration should be given to the conversion of ground-floor space in high-rise buildings to commercial space. Community services staff should encourage and aid tenant groups in the formation of co-ops to provide some of the needed commercial facilities. With your responsibility as the Urban Renewal agency, you should give priority to the development of normal neighborhood services in vacant renewal areas surrounding Central Ward projects.

3. You should initiate the development of well-equipped outdoor play areas in all projects with available space. For those projects without adequate indoor, multi-purpose community space, Modernization funds should be sought for construction of new facilities.
4. Negotiations should be continued with United Newark Hospitals and other medical groups for the purpose of extending the Scudder Homes Clinic approach to other projects.
5. You should intervene with the Public Service Commission in order to effect a reduction in bus fares for senior citizens and to improve and expand the availability of public transportation to all tenants.
6. You should seek the expansion of the self-help, pilot day-care program now in operation at Stella Wright project.

#### TENANT ORGANIZATION

Finding: Existing tenant organizations, both on the project level and city-wide, do not appear to be representative of the tenant body. Their effectiveness in dealing with the Authority is thereby reduced. If the changes recommended in this report are to be effective in improving the quality of life within public housing in Newark, then tenant groups must be fully involved in the decision-making and implementation of these changes.

Recommendation: There is an urgent need for impartial, city-wide elections of tenant organizations on a project and Authority-wide level. You should plan immediately for such an election with the assistance of existing tenant groups and CRSS staff. You should contract with a neutral, outside agency, such as the American Arbitration Association, for the detailed planning and conducting of this election.

A great deal of organizational work needs to be done among tenants before the election can be held successfully. The LHA Staff, or an outside contracted agency such as the local CDA Staff, must begin without further delay the task of informing the tenants of their rights and responsibilities as tenants and tenant-voters. In particular, sincere and concerted effort must be made to assure the involvement of youth in all phases of tenant organization.

Ultimately, there must be three levels of working tenant involvement.

1. On the project level, there needs to be an organization representing individual buildings, blocks or combined projects to work with the project manager on day-to-day problems and grievances and on budgetary planning.
2. On the Authority level, there needs to be a Tenant Affairs Board representing each project or combined project group to deal with your top staff and the Board of Commissioners on significant policy questions, problems common to all projects, and overall planning of Authority operations.

3. On the Board of Commissioners, There needs to be direct tenant representation. To this end, strongly recommend that the Mayor fill both the current vacancy and the upcoming vacancy with tenants.

### COMMUNICATIONS

Finding: We find that there is little trust and openness between tenants and the Central Office of the Housing Authority. Ever with the ongoing negotiations surrounding the rent strike, we have found both sides talking around real grievances thereby failing to communicate. The social problems of this Authority, particularly as manifested in the rent strikes, will not be solved so long as communication between tenants and top management are at this impasse.

On the project level, communication between managers and tenants varies with the outlook of the manager often being the determining factor.

CRSS staff in the projects does not always have good working channels of communications with project managers. We are concerned to find that too many tenants, including tenant leaders, do not know what role the CRSS staff perform and that many managers look upon staff solely as conduits for complaints and to handle tenant orientation sessions.

Recommendation: We believe that the implementation of our recommendations concerning tenant organization will go a long way toward establishing regular and adequate channels of communication between tenants and all levels of management. Furthermore, we recommend that those managers who are hostile to tenant concerns and involvement be replaced.

CRSS project staff need to become more visible to the tenants. The increase of such staff recommended below will make such visibility easier to obtain. But, in addition, the staff needs to utilize as many media as necessary to inform tenants and managers of available services and to involve tenant organizations in the planning of more effective, relevant community service programs.

### STAFFING: Organization and Training

Finding: We find that the present level of CRSS staffing in the projects is generally inadequate. While some of the larger projects do have staff, too many of the medium and smaller projects have no on-site staff or must share one staff person with several projects. Such a staffing pattern limits the CRSS staff person to solely a referral role for the manager. This is only part of his function, and does not meet the need.

### Recommendation:

1. The number of CRSS staff working on site should be increased and continued efforts made to increase the employment of tenants for project site offices.

2. CRSS and Management should immediately survey each project in order to locate adequate working space for staff on-site. If regular office space is not available, apartments should be converted to such use.
3. In addition, CRSS must seek professionally trained and experienced staff who can provide the supervision and supportive assistance to paraprofessionals; coordinate and integrate program services.
4. An on-going in-service training program for staff should be developed and additional community training resources explored.

### INDOOR COMMUNITY SPACE

Community Services Team recommends that at least one apartment in each high-rise complex be converted for use as community space.

The cost for converting a seven-room apartment of 972 square feet for use by Baby Land (day-care center) was \$12,000.

It is estimated that the conversion of one apartment in each high-rise, which would include tearing out one wall, outside screens on all windows, and the installation of another exit door (not including equipment) is estimated at \$5,000 per apartment. Based on one apartment per high-rise, the total number to be converted would be 15, for a total cost estimate of \$75,000.

COMMUNITY SERVICES

## OUTDOOR COMMUNITY FACILITIES

		<u>Units</u>	<u>Persons</u>
NJ 2-1	Seth Boyden Ct. 124 Seth Boyden Terrace 1	530	1272
	4 Playgrounds Delivered		
	Playscape # 95 (1)		
	125 (1)		
	150 (1)		
	250 (1)	9,886	
	Installation	3,954	
	TOTAL		13,840
NJ 2-1	Pennington Ct. 214 South St.	236	688
	4 Playgrounds		
	Playscape # 75 (2)		
	100 (2)	7,614	
	Installation	2,946	
	TOTAL		10,560
NJ 2-5	Baxter Terrace 1 202 Orange St.	565	1657
	4 Playgrounds		
	Playscape # 95 (1)		
	125 (1)		
	150 (1)		
	250 (1)	9,886	
	Installation	3,954	
	TOTAL		13,840
NJ 2-6	Stephen Crane 1 Stephen Crane Plaza	353	880
	2 Playgrounds		
	Playscape # 75 (1)		
	100 (1)	3,807	
	Installation	1,200	
	TOTAL		5,007

		<u>Units</u>	<u>Persons</u>
		396	1272
NJ 2-7	Hyatt Ct. 11 Hawkins Ct.		
	4 Playgrounds Playscape # 95 125 150 250	9,886	
	Installation	3,954	
	TOTAL		13,840
NJ 2-8	Felix Field Ct. 80 Jelliff Ave.		
	4 Playgrounds Playscape # 95 125 150 250	9,886	
	Installation	3,954	
	TOTAL		13,840
NJ 2-9	FDR 35 Riverview Ct.	270	878
	4 Playgrounds Playscape # 95 125 150 250	9,886	
	Installation	3,954	
	TOTAL		13,840
NJ 2-10	Otto Kretchmer Homes 71 Ludlow St.	694	2807
	4 Playgrounds Playscape # 95 125 150 250	9,886	
	Installation	3,954	
	TOTAL		13,840



		<u>Units</u>	<u>Personnel</u>
		615	269E
NJ 2-11	Archbishop Walsh Homes 1945 McCarter Hwy		
	4 Playgrounds		
	Playscape # 95(1)		
	125(1)		
	150(1)		
	250(1)		
	9,886		
	Installation	3,954	
	TOTAL		13,840
	Conversion of large black top area at rear of project into recreation area, requiring removal of deteriorated surfacing and seeding in early spring, also addition of canopies since area has no shaded spots and youngsters are unable to use space during summer. Approximately 50x100. Cost- approximately \$35,000.		
NJ 2-12	Hayes Homes 68 Boyd St.	1381	4826
	4 Playgrounds		
	Playscape # 95(1)		
	125(1)		
	150(1)		
	250(1)		
	9,886		
	Installation	3,954	
	TOTAL		13,840
NJ 2-13	Columbus Homes 112 8th Ave.	1431	5673
	(Limited Space)		
NJ 2-14	Bradley Ct. 16 N. Munn Ave.	300	782
	2 Playgrounds		
	Playscape # 75		
	100		
	7,614		
	Installation	2,400	
	TOTAL		10,014

NJ 2-15 Stella Wright Homes  
159 Spruce St.

Units  
1131

Persons  
4781

6 Playgrounds  
Playscape # 95  
125  
150  
250  
75  
100

17,500

Installation  
TOTAL

7,000

24,500

GRAND TOTAL: \$195,801

These cost figures are based on an average of 35-50  
square feet of play space at each play area.

RECREATION AND TENANT ACTIVITY LOCATIONSSQUARE  
FEETN.J. 2-1 SETH LOYDEN CT. - 530 FAMILIES

A. AUDITORIUM - 124 Seth Boyden Terrace	1,400
B. GIRL SCOUTS	624
C. BOY SCOUTS	624
D. TEEN AGE	624
E. PRE-SCHOOL (USES AUDITORIUM #1)	1,400
F. ADULT	7,654
G. MULTI-PURPOSE	41,289

N.J. 2-2 PENNINGTON COURT - 236 FAMILIES

A. AUDITORIUM - 214 South Street	532
B. BOY SCOUTS	1,525
C. KITCHEN	625
D. MULTI-PURPOSE	532
E. CLINIC	625
F. PRE-SCHOOL	1,800
G. ADULT	20,000
H. MULTI-GROUP	20,000
I. PRE-SCHOOL	3,750
J. SCHOOL AGES	20,000
K. SENIOR CITIZENS	875

N.J. 2-5 BAXTER TERRACE - 569 FAMILIES

A. Public HEALTH NURSES - 210 Orange Street	414
B. SENIOR CITIZENS ROOMS - 160 James Street	1,008
C. BOY SCOUT ROOM - 228 Orange Street	900
D. AUDITORIUM - 206 Orange Street	1,680
E. YOUTH CENTER - 161-163 James Street	1,008

N.J. 2-6 STEPHEN CRANE VILLAGE - 369 FAMILIES

A. AUDITORIUM - Stephen Crane Plaza 960

This room is used 5 days a week by the Pre-School Council. Also used by Newark Board of Education for Recreation Purposes.

N.J. 2-7 HYATT COURT - 402 FAMILIES

A. AUDITORIUM - 11 Hawkins Court	1,344
B. BOY SCOUTS	975
C. KITCHEN - 11 Hawkins Court	104
D. SENIOR CITIZEN	838
E. PRE-SCHOOL - 11 Hawkins Court	1,800
F. SCHOOL AGE	7,900
G. BASKETBALL	2,475

N.J. 2-8 FELIX FULD COURT - 300 FAMILIES

A. AUDITORIUM - 80 Jelliff Avenue	1,758
B. PRE-SCHOOL - 133 Rose Street	1,200
C. MULTI-GROUP	21,000

N.J. 2-9 ROOSEVELT HOMES - 275 FAMILIES

A. AUDITORIUM - 35 Riverview Court	2,160
B. KITCHEN	80
C. MULTI-PURPOSE	400
D. MULTI-GROUP	50,000
E. PRE-SCHOOL	2,500
F. SCHOOL AGE	2,500

6

N.J. 2-10 & 2-17 KRETCHMER HOMES AND ELDERLY - 928 FAMILIES

A. AUDITORIUM	4,000
B. GIRL SCOUTS	2,000
C. BOY SCOUTS - 314 Dayton Street	2,100
D. KITCHEN	96
E. CRAFT	1,400
F. SENIOR CITIZEN - 35 Van Vechten Street	4,700
G. PRE-SCHOOL - 71 Ludlow Street	2,000
H. ADULT - 95 Ludlow Street	19,600
I. PRE-SCHOOL	12,000
J. SCHOOL AGE	125,000
K. SENIOR CITIZEN	23,300

N.J. 2-11 ARCHBISHOP WALSH HOMES - 620 FAMILIES

A. AUDITORIUM - 1945 McCarter Highway USED BY THE BOARD OF EDUCATION FOR RECREATION ACTIVITY	2,400
B. PRE-SCHOOL ROOM - 1945 McCarter Highway USED DAILY FOR PRE-SCHOOL CLASSES	300
C. BABY KEEP-WELL STATION - 1945 McCarter Highway USED BY BOARD OF HEALTH, CITY OF NEWARK, N. J.	500
D. BOY SCOUT ROOM - 1961 McCarter Highway	600

N.J. 2-12 & 2-18 JAYES HOMES AND ELDERLY - 1556 FAMILIES

A. AUDITORIUM - 71 Boyd Street	6,702
B. GIRL SCOUTS - 278 W. Kinney Street	1,000
C. BOY SCOUTS - 68 Boyd Street	1,000
D. KITCHEN - 71 Boyd Street	177
E. CLINIC	651
F. CRAFT	7,039
G. DAY CARE - 77 17th Avenue	4,099
H. BOARD OF EDUCATION	1,695
I. PRE-SCHOOL 9 17th Avenue	1,200
J. MULTI-GROUP	283,040
K. PRE-SCHOOL	20,990
L. SENIOR CITIZEN 68 Boyd Street	5,695
M. BASKETBALL	18,840

N.J. 2-13 COLUMBUS HOMES - 1,556 FAMILIES

A. AUDITORIUM - 112-8th Avenue USED BY NEWARK BOARD OF EDUCATION and TENANT ACTIVITY	4,000
B. DENTAL CLINIC - 112 - 8th Avenue USED BY HEALTH DEPARTMENT, CITY OF NEWARK, N. J.	600
C. ARTS AND CRAFTS ROOM - 112 - 8th Avenue USED BY TENANTS	750
D. MULTI-PURPOSE ROOM - 112 - 8th Avenue USED BY BOARD OF EDUCATION AND TENANT ACTIVITY ALSO BOY SCOUTS	750
E. KITCHEN AUDITORIUM - 112 -8th Avenue	120

N.J. 2-14 BRADLEY COURT - 301 FAMILIES

A. RECREATION HALL - 72 No. Munn Avenue USED BY BOARD OF EDUCATION	310
B. SENIOR CITIZENS ROOM - 84 No. Munn Avenue	295
C. BOY SCOUT ROOM - 90 No. Munn Avenue	285

N.J. 2-15 STELLA WRIGHT HOMES - 1,206 FAMILIES

A. AUDITORIUM - 159 Spruce Street	9,252
B. KITCHEN - 159 Spruce Street	154
C. MULTI-PURPOSE 158 Spruce Street	704
D. CLINIC - 159 Spruce Street	1,200
E. SENIOR CITIZEN - 234 Prince Street Apt. 1R	704
F. DAY CARE (2 four room apartments) - 212 Prince St. Apt. 8G & 9G	
G. PRE-SCHOOL	4,000
H. ADULT	1,944
I. MULTI-GROUP	400
J. SCHOOL AGE	77,160
K. SENIOR CITIZEN	704

N.J. 2-16 STEPHEN CRANE ELDERLY - 198 FAMILIES

A. RECREATION - 58 Evergreen Lane	1,246
RECREATION - 60 Cedar Lane	1,246

Two (2) Buildings - Total 198 Tenants.  
Main Recreation Center is at 58 Evergreen Lane

N.J. 2-19 SCOTTED HOMES - 1600 FAMILIES

A. AUDITORIUM - 165 Court Street	4,245
B. GIRL SCOUTS - 165 Court Street	1,000
C. BOY SCOUTS - 165 Court Street	1,000
D. KITCHEN - 165 Court Street	1,760
E. MULTI-PURPOSE - 165 Court Street	360
F. CLINIC (4 Rooms) - 79 Lincoln Street	
G. CRAFT	572
H. SENIOR CITIZENS - 79 Lincoln Street	1,000
I. DAY CARE - 165 Court Street	483
J. NURSERY - 165 Court Street	2,928
K. BABYLAND (Converted 7 rooms) - 111 Lincoln Street	911
L. MULTI-GROUP	70,756
M. PRE-SCHOOL - 176 Howard Street	21,600
N. SCHOOL AGE	64,455
O. SENIOR CITIZEN	5,400
P. FRIENDLY NEIGHBORHOOD PRE-SCHOOL - 165 Court Street	3,266

N.J. 2-21A KRETCHMER ELDERLY 440 FAMILIES

A. COMMUNITY SPACE - 963 Frelinghuysen Avenue	6,135
B. CONGREGATE SPACE (LOBBY)	90,450

N.J. 2-21E SETH BOYDEN ELDERLY - 360 FAMILIES

A. COMMUNITY SPACE - 27 Foster Street	5,335
B. CONGREGATE SPACE (LOBBY)	52,010



N.J. 2-22B; 2-22C; 2-22D

ALL THREE (3) PROJECTS HAVE CONGREGATE MEETING ROOMS ON ALL FLOORS. ONE (1) LARGE COMMUNITY CENTER - KITCHEN INCLUDED AT EACH SITE.

N.J. 2-22B BAXTER ELDERLY #9 & #25 - SUMMIT STREET - 250 TENANTS

#9 SUMMIT ST. - COMMUNITY HALL	930
KITCHEN	176
#25 SUMMIT ST. - PRE-SCHOOL	930
KITCHEN	176

N.J. 2-22C - STEPHEN CRANE ELDERLY 880 -900-920 FRANKLIN AVENUE  
375 FAMILIES

900 FRANKLIN AVE. - COMMUNITY CENTER	1,296
900 FRANKLIN AVE. - ARTS & CRAFT	663

N.J. 2-22D - 789-801-815 NORTH 6th STREET - 375 FAMILIES

801 NORTH 6th ST. - COMMUNITY CENTER	1,296
801 NORTH 6th ST. - ARTS & CRAFTS	663
815 NORTH 6th ST. - ARTS & CRAFTS	514

SUBMITTED BY

*John Garrett, Jr.*  
JOHN GARRETT, JR.  
DIRECTOR  
COMMUNITY RELATIONS  
AND SOCIAL SERVICES

JG:ca

N.J. 2-1 SETH BOYDEN COURT

A. GOLDEN AGE CLUB - 124 Seth Boyden Terr. Sponsored and supported by Tenants	32
B. TENANTS ASSOCIATION - 124 Seth Boyden Terr. Sponsored and supported by Tenants	45-50
C. TEENAGERS CLUB - Frelinghuysen Ave. Sponsored and supported by Tenant's Ass.	22
D. PRE-SCHOOL - 124 Seth Boyden Terr. Sponsored by Pre-School Council Funds OEO CAP Agency	40
E. PRE-TEEN CLUB - 115 Church Terr. Sponsored and supported by Tenants	35
F. BOY SCOUTS - Frelinghuysen Ave. Sponsored by Robert Treat Council Funds from N.H.A. & Council	24
G. GUB SCOUTS - 116 Center Terr. Sponsored by Robt. Treat Council-Funds from NHA & Council	15
H. ADULT EDUCATION PROGRAM - 116 Center Terr. Sponsored by Board of Education	20

N.J. 2-2 PENNINGTON COURT

A. BOY SCOUTS - 214 South St. Sponsored by Robert Treat Council funds from NHA & Council	59
B. SENIOR CITIZENS CENTER - 214 South St. Sponsored by Senior Citizens Comm. Funds OEO	
C. PRE-SCHOOL - 173 Pennington St. Sponsored by Pre-School Council Funds OEO CAP Agency	35
D. BABY-KEEP WELL - St. James Hospital Newark Board of Health	
E. TENANT ASSOCIATION - 214 South St. Sponsored and supported by Tenants	40

N.J. 2-5 DAXTER TERRACE

- |    |   |                    |
|----|---|--------------------|
| A. | SENIOR CITIZENS - 16 James St. and 9 Summit St.<br>Sponsored by Senior Citizens Comm. Funds OEO | 40<br>100          |
| B. | PRE-SCHOOL - 210 Orange St.<br>Sponsored by Pre-School Council Funds OEO CAP Agency             | 60                 |
| C. | BABY-KEEP WELL - 210 Orange St.<br>Sponsored by Newark Board of Health                          | 60                 |
| D. | DENTAL CLINIC - 210 Orange St.<br>Sponsored by Newark Board of Ed.-Newark Board of Health       | # Unknown          |
| E. | TENANTS ASSOCIATION - 202 Orange St.<br>Sponsored and supported by tenants                      | 35-40              |
| F. | WELFARE CENTER - 202 Orange St.<br>Supported by Essex County Welfare                            | Serving all Tenant |
| G. | BOY SCOUTS - 202 Orange St.<br>Sponsored by Robert Treat Council - Funds from N.H.A. & Council  | 44                 |

N.J. 2-6 STEPHEN CRANE VILLAGE

- |    |   |     |
|----|---|-----|
| A. | SENIOR CITIZENS - 58 Evergreen Lane<br>Sponsored by Sen. Citizens Comm. Funds - OEO                 | 160 |
| B. | BOY SCOUTS - 1 Stephen Crane Plaza<br>Sponsored by Robert Treat Council Funds from N.H.A. & Council | 38  |
| C. | BOARD OF ED. RECREATION - 1 Stephen Crane Plaza<br>Sponsored by Board of Education                  | 50  |

N.J. 2-7 HYATT COURT

- |    |  |    |
|----|--|----|
| A. | TENANT LEAGUE - 11 Hawkins Court<br>Sponsored and supported by tenants                   | 65 |
| B. | PRE-SCHOOL - 11 Hawkins Court<br>Sponsored by Pre-School Council funds OEO CAP Agency    |    |
| C. | BOY SCOUTS - 7 Heratio Court<br>Sponsored by Robert Treat Council funds N.H.A. & Council | 20 |
| D. | TEENAGE CANTEEN - 11 Hawkins Court<br>Sponsored and supported by tenants                 | 75 |

N.J. 2-8 FELIX FULD COURT

- |    |  |    |
|----|--|----|
| A. | BOY SCOUTS - 170A Waverly Ave.                           | 80 |
|    | Sponsored by Robert Treat Council funds N.H.A. & Council |    |
| B. | SENIOR CITIZENS GROUP - 184 Waverly Ave.                 | 75 |
|    | Sponsored and supported by tenants                       |    |
| C. | GIRL SCOUTS - 133 Rose St.                               | 19 |
|    | Sponsored by Girl Scout Council funds N.H.A. & Council   |    |
| D. | PRE-SCHOOL - 133 Rose St.                                | 35 |
|    | Sponsored by Pre-School Council funds OEO CAP Agency     |    |
| E. | RECREATION ROOM - 81 Jelliff Ave.                        | 75 |
|    | Sponsored and supported by tenants                       |    |
| F. | TENANT LEAGUE - 81 Jelliff Ave.                          | 60 |
|    | Sponsored and supported by tenants                       |    |

N.J. 2-9 ROOSEVELT HOMES

- |    |  |    |
|----|--|----|
| A. | BOY SCOUTS - 35 Riverview Court                          | 46 |
|    | Sponsored by Robert Treat Council funds N.H.A. & Council |    |
| B. | GIRL SCOUTS - 35 Riverview Court                         | 16 |
|    | Sponsored by Girl Scout Council funds N.H.A. & Council   |    |
| C. | TENANT LEAGUE - 35 Riverview Court                       | 30 |
|    | Sponsored and supported by tenants                       |    |
| D. | PRE-SCHOOL - 35 Riverview Court                          | 36 |
|    | Sponsored by Pre-School Council funds OEO CAP Agency     |    |
| E. | RECREATION HALL - 35 Riverview Court                     |    |
|    | Sponsored and supported by tenants                       |    |
- 10

N.J. 2-1 A 2-17 KRETCHMER HOMES AND ELDERLY

A.	YOUTH ROOM - 368 Dayton St. Sponsored and supported by tenants	75
B.	BOY SCOUTS 314 Dayton St. Sponsored by Robert Treat Council funds N.H.A. & Council	58
C.	DENTAL CLINIC - 95 Ludlow St. Sponsored by Newark Bd. of Ed. and Bd. of Health	# Unknown
D.	ABY-KEEP WELL - 95 Ludlow St. Sponsored by Newark Board of Health	60
E.	PRE-SCHOOL - 71 Ludlow St. Sponsored by Pre-School Council funds OEO CAP Agency	73
F.	BOARD OF EDUCATION PROGRAM - 71 Ludlow St. Sponsored by Board of Education	
G.	PARENT ROOM - 95 Ludlow St. Sponsored and supported by tenants	25
H.	FRIENDSHIP GROUP - 991 Frelinghuysen Ave. Sponsored and supported by tenants	200
I.	REVIEW BOARD (SHACK)-Virginia & Frelinghuysen Ave. Sponsored and supported by tenants	10

N.J. 2-11 ARCHBISHOP WALSH HOMES

A.	BABY-KEEP WELL - 1945 McCarter Hwy. Sponsored by Newark Board of Health	60
B.	TENANT ASSOCIATION RECREATION HALL Sponsored and supported by tenants	55
C.	PRE-SCHOOL - 1945 McCarter Hwy. Sponsored by Pre-School Council funds OEO CAP Agency	60
D.	BOY SCOUTS - 1897 McCarter Hwy. Sponsored by Robert Treat Council - funds N.H.A. & Council	17
E.	GIRL SCOUTS - 1897 McCarter Hwy. Sponsored by Girl Scout Council funds N.H.A. & Council	18
F.	RECREATION HALL - 1945 McCarter Hwy. Sponsored and supported by N.H.A. and tenants	85

15

N.J. 2-12 & 2-18 HAYES HOMES AND ELDERLY

A.	FULD NEIGHBORHOOD HOUSE - 71 Boyd St.	
a.	VISTA Sponsored by VISTA	4
b.	SENIOR CITIZENS Sponsored by Senior Citizens funds OEO	75
c.	PRE-SCHOOL MOTHERS GROUP Sponsored by Pre-School Council OEO CAP Agency	16
B.	PRE-SCHOOL - 9-17th Ave. Sponsored by Pre-School Council OEO CAP Agency	60
C.	BOY SCOUTS - 68 Boyd St. Sponsored by Robert Treat Council-funds N.H.A. & Council	107
D.	GIRL SCOUTS - 278 W. Kinney St. Sponsored by Girl Scout Commission	20

HAYES HOMES CONTINUED

E.	NURSERY & DAY CARE CENTER - 77-17th Ave. Sponsored and supported by Fuld Neighborhood House	60
F.	DUKERS (GYM) - 45-17th Ave. Sponsored and supported by N.H.A.	35
G.	TENANTS ASSOCIATION - 71 Boyd St. Sponsored and supported by tenants	100
H.	SENIOR CITIZENS - 68 Boyd St. Sponsored and supported by tenants	25
I.	HAYES HOME COUNCIL - 68 Boyd St. Sponsored and supported by tenants	12 Active
J.	HEAD START - 71 Boyd St. Sponsored by Newark Board of Education	60
K.	V.I.P.'s - 68 Boyd St. Sponsored and supported by tenants and N.H.A.	30
L.	TWO OUTREACH CENTERS - 26 Bedford St. & 441 Springfield Ave. Sponsored by Fuld Neighborhood House	
M.	FAMILY COUNSELING SERVICE - 71 Boyd St. Sponsored and supported by Fuld Neighborhood House	21

# N.J. 2-13 COLUMBUS HOMES

A.	COMMUNITY HALL - 112-8th Ave.	
a.	PRE-SCHOOL Sponsored by P.S.C.	40
b.	DRILL TEAM Sponsored and supported by tenants	30
c.	BABY-KEEP WELL Sponsored by Newark Board of Health	65
d.	DENTAL CLINIC NEWARK BOARD OF ED. AND HEALTH	#Unknown
e.	KAROTE CLUB Sponsored and supported by tenants ,	40
f.	BOY SCOUTS Sponsored R.T.C.-funds N.R.A. and Council	140
g.	RUTGERS EXTENSION Sponsored by Rutgers University	35
h.	RECREATION HALL Sponsored and supported by N.H.A. and tenants	
B.	POLICE COMMUNITY RELATIONS - 94-17th Ave. Sponsored by Newark Police Department	
C.	PARENT-CHILD CENTER - 12 Sheffield Dr. Sponsored and supported by tenants	25
D.	GIRL SCOUTS - 62-7th Ave. Sponsored by Girl Scout Council funds N.H.A. & Council	29
E.	TENANT ASSOCIATION (TRAINING CENTER)-4 Sheffield Dr. Sponsored an' supported by tenants	75
F.	ST. LUCY's SENIOR CITIZENS - 106-7th Ave. Sponsored by Senior Citizens Commission	

## STELLA WRIGHT HOMES CONTINUED

M.	STELLA WRIGHT CHRISTIAN COMMUNITY GROUP 260 Prince St. (rear) Sponsored and supported by tenants	35-40 Active Members
N.	WELFARE RIGHTS - 158 Spruce St. Sponsored by Dept. of Health, Education & Welfare-CAP Agency	30

J. 2-19 SCUDDER HOMES

A.	FRIENDLY NEIGHBORHOOD HOUSE - 165 Court St.	26
a.	PRE-SCHOOL Sponsored by Pre-School Council	
b.	NURSERY Sponsored by Friendly Neighborhood House	12
c.	SCHOOL - AGE	26
B.	BREAST SCREENING CLINIC - 79 Lincoln St. (open to all residents) Sponsored and supported by United Hospitals and N.H.A.	#Unknown
C.	PRE-SCHOOL - 176 Howard St. 1C Sponsored by Pre-School Council	40
D.	BABYLAND - 111 Lincoln St. Sponsored and supported by Central West Service League	38
E.	CHR-ILL - 72 Broome St. Non Profit Agency-funds from United Appeals & Clients	50
F.	ST. BRIDGETS - 170 Howard St. Sponsored by St. Bridgets Rectory	
G.	BOY SCOUTS - 165 Court St. Sponsored by Robert Treat Council-funds N.H.A. & Council	110 Troop-Cub
H.	GIRL SCOUTS - 165 Court Sponsored by Girl Scout Council-funds N.H.A. & Council	23
I.	H.A.C.C. (Hill-Agency Coordinating Council) 165 Court St. Sponsored and supported by all groups located at Scudder Homes	11
J.	TENANT LEAGUE - 212 Howard St. (open to all residents) Sponsored and supported by N.H.A. and tenants	75 Active
K.	SECURITY MAINTENANCE PROGRAM - 51-53 Mercer St. Sponsored by Tenants and N.H.A.	#Varies
L.	NEWARK CHURCHES VOLUNTEER SERVICE - 72 Broome St. Sponsored by Presbyterian of Newark-funded by Religious denominations	65



OCCUPANCY AND EQUAL OPPORTUNITY

## OCCUPANCY

### 1. Occupancy Policies and Procedures

Finding - A review of the Authority's policies indicates that it contains some definitions and requirements which are outdated and no longer required by federal or state law, while not including all factors taken into account in selecting tenants.

For example, citizenship is included as an eligibility factor in its posted admission regulations, but we were advised that in practice this requirement is no longer applicable. The application form provides for date and place of birth and the verification form used also contains an item related to citizenship of the person who will sign the lease.

To establish eligibility, applicants are required to provide proof of at least one year's residency in Newark, but residency is not stated as an eligibility or preference factor in the adopted policies.

Recommendation - We recognize that for the past three years the tenant selection office has had to accommodate families for the most part on an emergency basis. However, the Authority's admission policies should be reviewed to revise out-of-date definitions and to eliminate requirements not necessary to ascertain the low-income status of applicants, but which frequently are irritants to prospective tenants. For example, the requirement that marriage and birth certificates be provided to establish eligibility as a family should be eliminated (HUD Circular of December 17, 1968, established HUD standards and criteria for admission and continued occupancy policies, including verification requirements). Upon request, the HUD Area Office will provide advice and assistance.

### 2. Tenant Selection Division - Workload and Staffing

Finding - The tenant selection office is headed by a Director assisted by ten professional and six clerical persons. Two additional clerical positions are now vacant and frozen. During Calendar 1970, approximately 4200 new applications were received and processed; 2500 were sent to the projects. Nearly 1700 families were admitted to low-rent housing, the majority of whom were displacees or fire victims.

Recommendation - It is recommended that the two vacant jobs not be filled. The applications office is an efficient operation, but in our judgment workload at the present level can continue to be absorbed by existing staff, particularly if recommended updating of policies and streamlining of occupancy procedures are adopted.

### 3. Leased Housing

Finding - Leased Housing management is handled by a separate organizational unit. The first units were leased to low-income tenants in April 1968; there are now approximately 77 occupied. To date, required occupancy reports have not been submitted.

Recommendation - The following required occupancy reports should be submitted:

- HUD 51235 - Report on Occupancy
- HUD 51227 - Report on Families Moving into Low-Rent Housing
- HUD 51245 - Report on Regular Reexamination

Appropriate instructions are contained in Leased Housing Handbook RHM 7430.1.

### 4. Minimum Rents

Finding - The approved minimum rent for all projects is \$32 per month, except for the projects built specifically for the elderly. The minimum rent charged families living in NJ 2-21, 22 is \$50; this higher minimum is not included in the adopted Schedule of Rents, nor has there been formal HUD approval.

Recommendation - The practicability of maintaining a separate \$50 minimum rent for elderly families should be reconsidered. In view of the 25% statutory limitation on rents and the new definition of income for this purpose contained in the HUD Act of 1970, a higher minimum rent may have little impact on rental income. If the Authority wishes to retain this rent, approval should be requested.

### 5. Reexamination Procedures

Finding - In reviewing tenant files, inconsistencies in the application of reexamination procedures and instances of incomplete reexaminations were noted. Workload has increased markedly since enactment of the Brooke Amendment which necessitates two computations of income for rent before the appropriate rent to be charged a family can be determined.

We understand that beginning with the current reexamination, NHA is adopting a biennial reexamination cycle for elderly families, requiring minimum verification as previously recommended.

Recommendation - To distribute the workload more evenly throughout the year, it is suggested that a staggered reexamination schedule for all families be considered. One method would be to reexamine only one-tenth of each project tenant body each month (one twentieth for the elderly). It may thus be possible to obtain verifications on a more timely basis. If the reexamination schedule for nonelderly families is adjusted, HUD approval of the initial extension of the annual reexamination for these families is required.

6. Public Housing Rent Requirements - HUD Act of 1970

The Housing and Urban Development Act of 1970 contains a prescribed definition of income for rent for purposes of applying the one-fourth of family income limitation (the Brooke amendment) provided by the 1969 HUD Act. This definition supersedes the Secretary's definition of income contained in Circular RHM 7465.1 dated March 16, 1970. The new income definition is to be effective with the first examination of tenant's income subsequent to March 24, 1971. (This will be applicable to families admitted after that date, as well as to reexaminations including interim adjustments becoming effective after that date. Such changes are not retroactive and are not required to be made for all families at one time. (See Exhibit G)

DEFINITIONS OF INCOME - HUD Act of 1970

- a. Total Family Income. Total Family Income 1/ means income 2/ from all sources of each member of the family residing in the household who is at least eighteen years of age, anticipated to be received during the twelve months following admission or redetermination of family income 3/ excluding nonrecurring income as defined in Paragraph 2c below and excluding the income of fulltime students.
- b. Family Income. Family Income (the net income on which rent is to be based, for purposes of administering the 25 percent statutory maximum limitation on rents) means Total Family Income less the following:
- (i) A deduction of five percent of Total Family Income, except that the deduction shall be ten percent in the case of a family whose head or spouse is elderly.4/
  - (ii) A deduction for extraordinary medical expenses where not compensated for or covered by insurance, defined for this purpose to mean medical expenses in excess of three percent of Total Family Income;
  - (iii) A deduction of amounts for unusual occupational expenses not compensated for by the employer, such as special tools and equipment, but only to the extent by which such expenses exceed normal and usual expenses incidental to employment;
  - (iv) A deduction of amounts paid by the family for the care of children or sick or incapacitated family members when determined to be necessary to employment of the head or spouse, provided the amount deducted does not exceed the amount of income received by the family member thus released;

1/ Payments to the head of the family for support of a minor are not considered to be minor's income and are to be included in Total Family Income.

2/ In the case of self-employed persons, income means the net income from operation of the business or profession.

3/ In making the estimate, due consideration should be given to past recipients of income. Arbitrary assumptions or imputation of income shall be avoided.

4/ Either Head or Spouse must be 62 years of age or over, or disabled or handicapped.

- (v) An exemption of \$300 for each dependent, i.e., each minor (other than the head or spouse) and for each adult (other than the head or spouse) dependent upon the family for support;
- (vi) An exemption of \$300 for each secondary wage earner. (A family member deemed to be a dependent under "v" above is not to be included.)

c. Nonrecurring Income. Nonrecurring and temporary income shall not be included in determining income for the purposes of administering the 25 percent limitation on rents. The following are therefore not considered as income by HUD:

- (i) Casual, sporadic and irregular gifts, and amounts which are specifically received for, or are a reimbursement of, the cost of illness or medical care.
- (ii) Lump-sum additions to family assets, such as inheritances, insurance payments, including payments under health and accident insurance and workmen's compensation, capital gains, and settlements for personal or property losses.
- (iii) Amounts of educational scholarships paid directly to the student or to the educational institution and amounts paid by the United States Government to a veteran for use in meeting the cost of tuition, fees and books, to the extent that such amounts are so used. 5/
- (iv) The special pay to a serviceman head of a family away from home and exposed to hostile fire (e.g., Viet Nam); relocation payments made pursuant to Title II of the Uniform Relocation Assistance and Real Property Acquisition Policies Act of 1970 (PL-91-646, 84 Stat. 1894); and pursuant to the Food Stamp Act of 1964 (7 U.S.C. 2016(c)), the value of the coupon allotments for the purchase of foods in excess of the amount actually charged the eligible households.

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5/ This exclusion affects part-time students.

A Newark Housing Authority report, "Minority Employee Survey," dated August 1970, lists the following information under the category Directors.

Total: 33      Negro: 4      Spanish origin: 0      Other: 0

New Jersey Civil Service Base Annual Salary List provides a total as of 1/15/71 of 31 Directors. There are no Spanish-speaking Directors presently employed by the Authority. To date, there are approximately seven Negroes employed in the capacity of Director.

Manager-Minority Employee Survey, 8/70

Total: 47      Negro: 15      Spanish origin: 0      Other: 0

The Authority's list of classified titles in the Manager category is as follows:

<u>NHA Position Classif.</u>	<u>C.S. Status</u>	<u>Total</u>	<u>Negro</u>	<u>Spanish</u>	<u>Other</u>
Housing Manager	21 Permanent	30	15		1
	9 Temporary				
HA Housing Manager	6 Permanent	8	1		
	2 Temporary				
Hwy. Relocation Tech.	Permanent	1			
Pr. Housing Manager	2 Temporary	3			
	1 Permanent				

The Civil Service Base Salary List as of January 15, 1972, lists at least one Spanish-speaking employee, presently working as a temporary Housing Manager, and approximately five or more temporary Negro Managers.

Recommendation - The records indicate a total of 49 employees in the category of Manager. 36.1% are minorities. The Authority should make an effort to hire, upgrade or promote more Negroes and Puerto Ricans to managerial positions, since a high percent of both minorities are presently living in the various public housing projects and throughout the City of Newark.

Employment of an adequate number of Puerto Ricans in this capacity could bring about better understanding regarding policies and procedures of the Authority, as well as establishing a healthy relationship between tenants and management.

It is further recommended that the Housing Manager classification be listed separately from the Highway Relocation Technician and Relocation Site Manager.

Finding - In the category of Specialist-Professionals, the Authority has one minority employee, a Negro Accountant.

# EQUAL OPPORTUNITY

The following report lists position classifications and organizational structure of the Newark Housing Authority as they relate to minority employees.

The data was obtained from several reports submitted by the Housing Authority personnel staff and reflects the total number of employees in each category, Civil Service Status (i.e. permanent, temporary, or supplemental), and a general racial breakdown of minority group members.

<u>Category</u>	<u>C. S. Status</u>	<u>Total</u>	<u>Negro</u>	<u>Spanish</u>	<u>Other</u>
<u>Exec. Director</u>	Unclassified	1			
<u>Assist. Exec. Dir.</u>					
Assist. Exec. Dir.	Permanent	1			
Admin. Services	Permanent	1			
Dev. & Maintenance	Permanent	1			
Urban Renewal	Permanent	1			
Comm. Rel. & Soc. S.	Temporary	1	1		
Management	Temporary	1			
Total		7	1		
<u>Directors</u>					
Comm. Rel. & Soc. Ser.	Permanent	1			
Development	Permanent	1			
Finance & Accts.	Permanent	1			
Management	Temporary	1	1		
Personnel, etc.	Permanent	1			
Maintenance	Temporary	1			
Planning, Eng.	Permanent	1			
Purchase, Mail/Stores	Permanent	1			
Relocation	Temporary	1			
Tenant Selection	Permanent	1	1		
Urban Renewal Ser.	Permanent	1			
Total		11	2		
<u>Asst. Directors</u>					
Comm. Rel. & Soc. S.	Permanent	1			
Development	Permanent	1			
Finance & Acct.	Permanent	1			
Management	Permanent	3	3		
Maintenance	Permanent	1			
Maintenance	Temporary	2			
Personnel & Lab. Rel.	Permanent	1			
Planning & Eng.	Temporary	1			
Relocation	Permanent	2			
Research & Statistics	Permanent	1			
Urban Renewal	Permanent	1			
Counsel	Unclassified	1			
Painting & Dec.	Permanent	1			
Total		17	3		



Recommendation - The Newark Housing Authority should implement an affirmative action program to recruit Negro and Puerto Rican professionals to fill present vacancies in this category. The agency could seek assistance from the various colleges and universities located in and around the Newark area.

Finding - In the category of Technicians, there are two Negro employees and no Spanish-speaking persons, or 3.8% minority employment in this area.

Recommendation - Efforts should be made by the Newark Housing Authority to improve minority representations by seeking qualified individuals to fill existing vacancies. An enlargement of the data processing and engineering aide training programs could be of value to the agency in achieving this goal.

Finding - The Minority Employment Survey lists a total of 286 clerical employees; including 107 Negro and 3 Spanish speaking. Civil Service Salary Report dated 1/15/71 lists approximately 325, which includes permanent, temporary and supplemental employees.

Recommendation - The 38% representing minority clerical employees should be corrected and the new percentage, based on the actual total, listed on the agency's payroll records. A racial breakdown, according to job titles, in the Minority Survey would be of value to the Equal Opportunity Division. The agency should consider hiring more Puerto Ricans and Negroes in any future vacancies that may occur.

Finding - The Skilled Craftsman category has 20.1% minority employees, according to the Minority Survey. 21 are Negro and 2 are Spanish speaking. The survey does not indicate specific trades held by minorities.

Recommendation - The survey should list the number of minority group employees in each specific skilled trade.

Efforts to recruit, train or upgrade Negroes and Puerto Ricans in the Skilled Craftsman category should be undertaken by the Newark Housing Authority. Newark has a number of trade schools and a variety of apprentice programs which could serve as an agency resource for the recruitment of potential minority employees.

Finding - The Senior Community Service Worker assigned to the predominately Black Stella Wright homes, with a staff of at least four, has an annual salary of \$9,920 according to housing reports. Community Service Worker (white) assigned to Kretchmer and Seth Boyden Homes (majority white) with no staff has an annual salary of \$10,044.

Recommendation - The Newark Housing Authority should review all job descriptions and salaries to determine relevancy and equity as they relate to all personnel.

## ENGINEERING SURVEY

## ENGINEERING SURVEY OF THE NEWARK, NEW JERSEY, HOUSING AUTHORITY

Period of Survey: January 11-25, 1971

HUD Staff: C. Barta, W. Kubisty, A. Jaffee, G. Skau, R. Rafael, S. Zullo,  
L. Harriss, C. Ashmore, D. Nicholas, J. Wright

All projects of the Newark Housing Authority, including leased housing, were surveyed as an element of a management evaluation of the Authority. The Engineering Survey was conducted in accordance with procedure set forth in Section 4, Chapter 8, of RHM 7460.1 SUPP. Individual Records of Observation were maintained by each engineer during the survey, and deficiencies found in each project were summarized by each team. Copies of the deficiency reports are attached. All elements of the physical property of the Authority were surveyed on a sampling basis, including grounds, building structures, interiors, equipment and electrical distribution, and each additional item listed on the Record of Observation check list furnished by the New York Regional Office Maintenance Engineer. The Engineering Survey included an analysis of maintenance staffing, controls and productivity. A summary of findings and recommendations was submitted to the Management Team Coordinator for oral presentation to the Housing Authority Board.

A summary of these recommendations was:

1. Correct a number of inefficiencies which contribute significantly to heating loss.
  - a. Replace broken windows.
  - b. Prepare a meaningful publication advising tenants how they can help in eliminating loss, showing the cost impact of losses which they can control and the resultant effect on rents or loss of other services.
  - c. Train operating personnel on recommended operating characteristics of the equipment. Develop adequate supervision to assure that operating staff becomes efficient.
  - d. Standardize boiler and supplemental equipment where possible.
  - e. Begin a replacement program of 30-year-old boilers and ineffective service equipment.
2. Initiate a study of elevator deficiencies with manufacturers to determine how more effective operations can be achieved with existing equipment, including redesign to reduce vandalism.
3. Select those items presently assigned to architects which can be bid directly, utilizing the capabilities and resources of Housing Authority staff as an expedient and cost effective method to accelerate the Modernization Program.

4. Maintain a routine schedule for preventive maintenance inspections and adhere to correction schedules.
5. Develop general maintenance training programs. At present only boiler plant personnel receive training, and that training appears to be related to corrective maintenance.
6. Develop a more efficient stock room control system for smaller projects.
7. Realign the maintenance staff so that the maintenance responsibility is identified at each project. A recommendation was made to decentralize the Central Maintenance line organizations with assignment to selected projects and to consider future utilization of effective Maintenance Repairmen, with less emphasis on the need for skilled trades, for normal day-to-day maintenance routines.

The individual project deficiency reports cite recommendations and related costs to project-peculiar items. As an overall summary, the most recurring needs for all projects and related costs are as follows:

Boiler room equipment and replacements	\$ 800,000
Electrical system upgrading	3,000,000
Underground tanks and lines	75,000
Steam clean walls and public areas	80,000
Study for elevator redesign	50,000

The first three items would appear to qualify as candidate items for a Modernisation Program.

Utility Findings:

Utility service is utilized in the various projects on the following basis:

<u>Project</u>	<u>Lighting and Refrigeration</u>	<u>Cooking</u>	<u>Energy</u>	<u>Domestic Hot Water and Space Heating</u>
Central Office	E-W	E-W	Low Sulphur #6 F.O.	CP-LPS
NJ-2-1	E-W	G-W	"	CP-LPS
NJ-2-2	"	"	"	"
NJ-2-5	"	"	"	"
NJ-2-6	"	"	"	"
NJ-2-7	"	"	"	"
NJ-2-8	"	"	G-W	"
NJ-2-9	"	"	Low Sulphur #6 F.O.	"
NJ-2-10	"	"	"	"
NJ-2-11	"	"	"	"
NJ-2-12	"	"	"	"
NJ-2-13	"	"	"	"
NJ-2-14	"	"	"	"
NJ-2-15	"	"	"	"
NJ-2-16	"	"	"	"
NJ-2-17	"	"	"	"
NJ-2-18	"	"	"	"
NJ-2-19	"	"	"	"
NJ-2-21	"	E-W	"	"
NJ-2-22	E-W	E-W	Low Sulphur #6 F.O.	CP-LPS

Electrical service is supplied by the Public Service Electric and Gas Company and billed on a rate schedule designated as LPL. Applicable rates are:

A. Kilowatt Charge - Large Power Service (LPL)

\$105.00 for the first 50 KW of monthly maximum demand  
 \$1.66 per kilowatt for the next 50 KW of monthly maximum demand  
 \$1.49 per kilowatt for the next 500 KW " " " "  
 \$1.39 per kilowatt for the next 500 KW " " " "  
 \$1.29 per kilowatt for the next 900 KW " " " "  
 \$1.19 per kilowatt for the next 28,000 KW of monthly maximum demand  
 \$1.10 per kilowatt for the next 30,000 KW " " " "

B. Energy - Kilowatt Hour Charge

3.090 cents per kilowatt hour for the 1st 5,000 KWH used each month  
 1.030 cents per kilowatt hour for the 2nd 45,000 " " " "  
 .920 cents per kilowatt hour for the 3rd 200,000 KWH used each month  
 .820 cents per kilowatt hour for the 4th 250,000 " " " "  
 .620 cents per kilowatt hour for the 5th 300,000 " " " "  
 .515 cents per kilowatt hour for the 6th 800,000 " " " "

Where special conditions such as location, size or type of load requires that a customer take service at a primary service entrance voltage, customer shall furnish, install and maintain a service entrance breaker, and where necessary, transformers and appurtenances. Customers monthly bills, except Minimum Charge and any facilities charge, will be subject to a discount of 5%. Public Service will supply the metering equipment to measure service at the service entrance voltage either directly or by means of compensated metering on the secondary side of transforming devices.

All the projects have a day and night schedule for electricity used. The day use of electricity follows the normal charges schedule outlined in rate schedule LPL. The night use of electricity is billed at .92 cents per kilowatt hour for electricity used in the night period.

All bills for electricity are subject to a fuel adjustment charge for all electricity used in the project. The fuel adjustment charge as of March 1970 was .1741 cents per kilowatt hour. The fuel adjustment charge as of November 12, 1970, is .3761 cents per kilowatt hour.

The Public Service Electric and Gas Company has a petition filed with the New Jersey Board of Public Utility Commissioners for an increase in charges for electricity which will increase electricity charges approximately 8 percent.

Electricity is metered in all projects as outlined below:

<u>Project No.</u>	<u>Electric Meters</u>	
Central Office	1	3DRD
NJ-2-1	7	3 DR Combined 3-DRD
NJ-2-2	2	1 - DRD
NJ-2-5	6	3 - DR Combined
NJ-2-6	6	3 - DR Combined
NJ-2-7	6	3 - DR Combined & 3-DRD
NJ-2-8	4	2 - DR Combined & 2-DRD
NJ-2-9	2	1 - DRDN
NJ-2-10	2	2 - DRN
NJ-2-11	2	1 - DRDN
NJ-2-12	2	1 - DRD & 1-DRN
NJ-2-13	1	1 - DRDN
NJ-2-14	6	3 - DR & Combined 3-DRD
NJ-2-15	2	1 - DRDN
NJ-2-16	2	2 - DR
NJ-2-17	1	1 - DRN
NJ-2-18	1	1 - DRN
NJ-2-19	2	1 - DRN & 1-DRD
NJ-2-21	18	9 - DRD & 9-DRN
NJ-2-22	22	11 - DRD & 11-DRN